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UNIVERSITY OF ALBERTA

An Analysis of the Strategic Initiatives Employed by Provincial Sport Organizations

By

Kiran Mistry

A thesis submitted to the Faculty of Graduate Studies and Research in partical fulfillment of the requirements for the degree of Masters of Arts

DEPARTMENT OF PHYSICAL EDUCATION AND RECREATION

Edmonton, Alberta
Spring 1996

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FACULTY OF GRADUATE STUDIES AND RESEARCH

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ABSTRACT

Developing and implementing appropriate strategies can help organizations to become more independent, improve their level of flexibility, and increase their chances for survival in today's economy. The purpose of this study was to examine the strategic initiatives employed by leaders in a sample of provincial sport organizations (PSOs), and to compare these strategies to those identified by Thibault, Slack, and Hinings (1993). To do this the study outlines four cases that were written on the basis of data gathered from two sources; semi-structured interviews, and resource material (e.g., membership handbooks). Although Thibault et al.'s (1993) framework is limited in its ability to analyze the contents of strategic initiatives, the evidence from this study suggests that there are PSOs that have similar characteristics to Thibault et al.'s strategic types. There is also evidence to suggest that many PSO leaders formulate strategy informally because their resources are limited. Finally, the study's findings suggest that leaders do not exclusively follow one type of strategy.

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TABLE OF CONTENTS

Chapter	Page
(1) Introduction	1
Strategy Formulation within PSOs	3
(2) Theoretical Framework	8
Dimension and Imperatives of Thibault's et al. (1993) Framework	10
(1) Program Attractiveness	11
(a) Fundability	11
(b) Client Base Size	12
(c) Volunteer Appeal	13
(d) Support Group Appeal	14
(2) Competitive Position	15
(a) Affiliation Fee	15
(b) Equipment Costs	16
Strategic Types	18
(a) Enhancers	19
(b) Innovators	21
(c) Refiners	21
(d) Explorers	22
(3) Methodology	25
(1) Methodological Foundation	25
(2) Selection Procedure for the PSOs	29
(3) Data Collection	29
(a) Resource Material	30
(b) Interview Protocol	30
(c) Interviews	33
(4) Data Analysis	35
(4) PSO Case Studies	38
(1) General Characteristics of the Sports	38
(2) Cases	
Case A	38
Case B	57
Case C	83
Case D	99

(5) Discussion 117
(1) Thibault's Framework 117
(2) Contextual Factors 118
(a) Funding Issues 118
Funding Strategies 132
(b) Membership Issues 149
Membership Strategies 153
(c) Volunteer and Promotional Issues 167
Volunteer and Promotional Strategies 169
(3) Strategic Types 185
(a) Strategic Types of the Four PSOs 185
(b) Overlapping Strategic Types 186
(c) Simplicity 186
(d) Revisiting the Mission 189

(6) Conclusion 192

Bibliography 194

Appendices
Appendix One 199
Appendix Two 200
Appendix Three 201
Appendix Four 202
Appendix Five 204
Appendix Six 205
Appendix Seven 207

LIST OF TABLES

Page

Table 1 - Membership Categories and Fee Structure for PSO A 42

Table 2 - Membership Categories and Fee Structure for PSO B 62

Table 3 - Membership Categories and Fee Structure for PSO D 107

Table 4 - Percentage of Total Budget That Is Received From the Alberta Sport Council 123

Table 5 - Membership Size and Trends Per PSO 150

Table 6 - Average Affiliation Fee for Competitors and General Members 163

Chapter One: INTRODUCTION

National sport organizations (NSOs) in Canada have changed dramatically over the last fifteen years. In 1983 an agency of the federal government, Sport Canada, initiated and financially supported a directive called the "Best Ever '88" Winter Olympic Program. With the government contributing over $25 million to this initiative, the Best Ever or Quadrennial Planning Program (QPP), as it became known, was designed to increase the number of medals won at the 1988 Winter Olympics in Calgary. The amount of financial support received by each of the ten winter Olympic NSOs was based upon the submission of a four-year strategic plan. For each NSO, the plan had to include an analysis of their position in 1983, a list of short and long term objectives, and the means by which to reach their technical and administrative goals (Macintosh and Whitson, 1990). Shortly after the start of the QPP, Sport Canada increased its funding by over $37 million to involve the NSOs participating at the 1988 Summer Olympic in Seoul in the Program.

With the QPP providing the NSOs with additional funds, many of the senior managers in these organizations concurred with Sport Canada officials that it was a worthwhile program. It has further been demonstrated that many NSOs improved their mode of operation as a result of the QPP (Slack and Hinings, 1987). As a consequence of these positive outcomes, funding for a second quadrennial (1988-92) was renewed on the premise that the NSOs would improve the content of their original 1983-88 plans and focus on domestic sport. The reason for this additional focus was that the 1983-88 emphasis on high performance sport was publicly criticized following the Ben Johnson steroid scandal. Consequently, to allow for a broader focus than just high performance sport, the second quadrennial plans were also to include

details of the NSOs' "domestic sport programs". These are the initiatives designed to develop and deliver sporting opportunities throughout the country. Domestic sport is defined as all levels of participation below the high performance level. This encompasses a very broad range of activities from friendly competition for recreational purposes to the development of future national team members (Task Force Report, 1988).

The success of these domestic programs is largely based on the collaboration between the NSOs and other sport organizations such as the ones at the provincial and local levels. The primary goal of provincial sport organizations (PSOs) is to offer programs to athletes who are at the developmental level, consequently a partnership was intended to develop between the NSOs and PSOs because the latter were directly supporting the former's domestic programs. From the NSOs' point of view, this working relationship was important because the NSOs' domestic programs along with many of the PSOs' programs would help to develop young elite athletes who could potentially become international competitors for the national programs (Task Force Report, 1988). From the PSOs' point of view, the partnership helped the provinces in a number of developmental areas such as coaching, officiating, and athlete training. Thus, as a result of the QPP's strategy formulation and implementation process, the NSOs took steps to create an active partnership with the PSOs in order to deliver the domestic sport programs, and to ultimately improve the high performance programs.

Prior to the changes in the second quadrennial, many of the NSOs' leaders did not consider the provincial organizations to be vital partners. According to Thibault, Slack, and Hinings (1993), no set plan or strategy to develop domestic sport was ever formally undertaken.

> Domestic sport was essentially left to emerge. Emergent strategies limited NSOs in the extent to which they could be proactive about their domestic sport intentions. Furthermore, since domestic sport was the "unofficial" responsibility of provincial, and local agencies (e.g., provincial governments, PSOs, municipal governments, clubs), it was not perceived as an area of high priority for the federal government (Thibault et al., 1993, p. 6).

This perspective changed as people became aware of the importance of having a holistic sport delivery system involving both elite and 'grassroot' participants. Although domestic and high performance programs have similar goals, they differ with regard to athletes (e.g., skill, age), educational programs (e.g., coaches, official), and support agencies (e.g., local clubs, sponsors). Many of these domestic programs are also used by PSOs as they work towards the goal of developing the sport within the province. In addition to implementing many of the NSO programs (or a modified version of them), the PSOs also serve as a liaison between their members and their corresponding NSO.

STRATEGY FORMULATION WITHIN PSOs:

As PSO leaders continue to support these types of programs and services that develop the sport and serve their members, they also work towards ensuring the longevity of their sport within the province. Many of the PSO leaders believe that to successfully ensure the future of amateur sports they need to follow their NSO counterparts and analyze their environment to develop strategies. The reference to environment within an organizational

context alludes to all elements outside the boundaries of an organization including the economy, market, resources (e.g., physical, financial, and human), government, competitors, shareholders, and socio-cultural factors (Robbins, 1990). A strategy can be thought of as a comprehensive and integrated plan, with relatively long-term implications, designed to achieve the basic objectives of the organization. It incorporates the strengths and weaknesses of the organization, and takes into account environmental realities and trends. Strategy can also include decisions to compete in specific product-market segments: decisions to diversify, to expand, to reduce, or even close down specific operations or sub-units. In other words, strategies refer to both means and ends, unlike goals that refer only to ends (Robbins, 1990).

Strategy research within amateur sport organizations has been sparse with the exception of the studies by Thibault and her colleagues (1993, 1994). This lack of research on strategy is not exclusive to sport organizations; other types of volunteer based organizations have been similarly neglected. However, there has been a large amount of research in the profit sector which has tried to determine how managers identify their organizations' environmental factors and in turn, to align these factors to their operational needs. Researchers, such as Miles and Snow (1978), Mintzberg (1987), and Bryson (1988) have suggested that profit and nonprofit managers develop and implement strategies to meet the organizational needs, environmental challenges, and to increase the chances for organizational survival and/or success. Regardless of the type of sector (profit or nonprofit), all managers need to be able to complete the task of gathering and analyzing pertinent information (e.g., organizational and contextual issues) before developing a

strategy. Accomplishing this task allows managers to increase the likelihood that their strategies will match their organization's needs.

Developing organizational strategies that are aligned with the environment will also help managers with anticipating changes in the environment, maximizing scarce resources, and increasing the effectiveness, efficiency and autonomy of their organization. Nonprofit organizations employ strategies for similar reasons as they attempt to provide services to society that are not typically provided by the government and/or the private sector (Sport Ontario, 1992; Retson, 1994). Whether the nonprofit sector can ease the burden of the public and private sectors is not the issue, the critical point is that there are a number of people who rely on the services that are offered. Therefore, nonprofit organizations should employ strategy to continue to offer such programs.

Although nonprofit organizations offer valuable programs and services, some researchers have indicated that many of these organizations do not reach their full potential because their managers lack experience in developing and implementing strategies (Wortman, 1979; Unterman and Davis, 1982; and Bryson, 1988). Even though the leaders of these primarily volunteer-based organizations may formulate and implement strategies at some level, MacMillan (1983) argued that they do not proactively develop them on a regular basis. He concluded that if there ever "was a desperate need for attention to be given to pragmatic, competitive, strategy formulation, it is in the area of not-for-profit organization" (p. 62). In one study Higgins and Vincze (1986) suggested that the reason many organizations do not reach their full potential because many of the leaders lack the necessary training and/or experience in management. However, their underlying assumption has

been recently challenged by nonprofit organizations such as PSOs that are hiring managers who have experience within the profit sector and/or specialized degrees in the management of nonprofit organizations (e.g., sport administration). Although a majority of the strategy literature has focused upon the for-profit sector, several authors have stressed the importance of nonprofit organizations (e.g., PSOs) developing strategies to address the challenges within their sector such as fund raising, increasing membership, and volunteer recruitment and training (Unterman and Davis, 1984; Powell, 1987; and Butler and Wilson, 1990).

As the strategy field continues to develop for the nonprofit sector, researchers must provide managers with something more than a prescriptive strategic approach. Many of these "how to" approaches, from the general frameworks of Waldo (1986) and Wolf (1990) to the more detailed models of Bryson (1988), are usually designed as a step-by-step process which includes: developing a mission statement, designing goals and objectives, scanning the internal and external environments, developing and implementing the strategy, and finally evaluating the effectiveness of the strategy. Once the leaders of nonprofit organizations understand the various components of the strategy formulation process, they will be in a better position to formulate strategies that align their organization with its environment. As Thibault, Slack, and Hinings (1993, p. 40) note,

> Given the importance of strategy as one of the central concepts in organizational theory and the demonstrated impact of strategy on organizational structure and processes, the lack of research on this aspect of the operation of [amateur sport] organization is a void that needs to be filled.

This study will help to fill that gap by following Thibault et al.'s (1993) suggestion that the nonprofit sector does not have to "re-invent the wheel". In other words, the nonprofit sector can adapt theories and experiences from the profit sector and apply them to their own (see also Mittenthal and Mahoney, 1977; Hatten 1982; MacMillan, 1983).

Consequently, the purpose of this study is to examine the strategic initiatives employed by leaders in a sample of PSOs, and compare them to the different types of strategies identified by Thibault et al. (1993). Through a combination of the relevant literature and practical examples, four case studies will present the reader with a detailed picture of the strategic initiatives used by PSOs. To conclude, developing and implementing strategies can help organizations to increase their level of flexibility, become more independent, and increase their chances of survival in today's uncertain economy. To understand how strategy can benefit the nonprofit sector, specifically amateur sport organizations, more research is needed to investigate the nature of the initiatives currently employed.

The reminder of the thesis is divided into the following chapters. Chapter two describes the theoretical framework for the study. Chapter three contains the methodology used to collect the data. Chapter four presents four case studies that detail the strategic initiatives of the PSOs. Chapter five discusses and compares these cases to each other and to Thibault et al.'s (1993) typology, and finally, Chapter six ties together the study's overall findings. This chapter also outlines future directions for research pertaining to provincial sport organizations and the manner in which they formulate and implement their strategies.

Chapter Two: THEORETICAL FRAMEWORK

The last chapter introduced the argument that organizations in the nonprofit sector, such as those involved in the delivery of sport, can benefit by adapting strategic principles and practices from the profit sector. Specifically, the chapter provided arguments about the need to conduct more strategy based research within the amateur sport sector. This chapter will briefly outline the theoretical framework developed by Thibault, Slack, and Hinings' (1993, 1994), and why it was used in this study to investigate the strategic initiatives of PSO managers. The chapter begins by introducing the reader to the notion that strategists must be flexible to address the complexities surrounding their organizations.

Researchers, such as Mintzberg and Quinn (1991), have established that there is no 'one correct way' to develop strategy. With all of the contradictions and uncertainty surrounding organizations, they suggest that in formulating and implementing strategy

> ... the real danger lies in using pat solutions to a nuanced reality, not in opening perspectives up to different interpretations. The effective strategist is one who can live with contradictions, learn to appreciate their causes and effects, and reconcile them sufficiently for effective action (Mintzberg and Quinn, 1991, p. xi-xii).

To minimize the contradictions and uncertainties Mintzberg and Quinn allude to, managers must ensure that the strategies that they develop are closely matched with the external and internal environments of the organization. The vast majority of the strategic management literature suggests that in order for a strategy to be aligned with the external and internal environments of an

organization, managers must understand the organization's context (Daft, 1992).

Researchers, such as Greenberg (1982), MacMillan (1983), Powell and Friedkin (1987), Unterman and Davis (1984), and Stone (1989), suggest that the contextual analyses and strategies of nonprofit organizations have been impaired by short-term visions (e.g., survival) and the difficulties in acquiring resources (e.g., funding). For this very reason, MacMillan (1983) designed a framework that assists managers in scanning the contextual factors that are necessary to develop long term strategies while allowing the organizations to remain competitive for resources. As it becomes more difficult to acquire financial resources, it will become critical for nonprofit leaders, such as the ones working in amateur sport organizations (e.g., PSOs), to initiate the development of a long term strategic plan that is aligned with the organizations' external and internal environments.

To investigate the strategic initiatives employed by PSO leaders, the current study adapted Thibault et al.'s (1993) framework. This framework was designed after Thibault and her colleagues surmised that the amateur sport organizations' operating context differed significantly from the organizations used in previous studies (Miles and Snow, 1978; Montanari and Bracker, 1986; and Butler and Wilson, 1990). Thibault et al.'s (1993) framework was based on the work of MacMillan (1983) who provided three assumptions of the nonprofit sector: the need for nonprofit organizations to compete for limited resources, the need to avoid duplication of services offered by other organizations, and the need for organizational leaders to decide the size of the market and/or client-base to serve and the quality of the programs that their organization will offer. Although the justification of Thibault et al.'s (1993)

framework will be expanded upon later in this chapter, the important point here is that their framework served as the basis for the current study to investigate the strategic initiatives employed by PSO leaders.

DIMENSIONS AND IMPERATIVES OF THIBAULT ET AL.'s FRAMEWORK:

With the above assumptions serving as a foundation, Thibault et al. (1993) chose two of MacMillan's (1983) three dimensions as a means to evaluate the context of nonprofit organizations. The two dimensions (program attractiveness and competitive position) were juxtaposed on a matrix to produce four strategic types: enhancers, innovators, refiners, and explorers. Program attractiveness is the organization's, "capability to provide services and programs to its members while accessing the necessary resources to maintain the provision of these programs and services" (Thibault et al., 1993, p. 32). Competitive position is the "potential of an organization to attract and retain members" (p. 35) in relation to other organizations. MacMillan's (1983) third dimension, 'alternative coverage' (if other organizations could provide the same or similar programs) was not used by Thibault et al. (1993) because it was deemed not relevant for NSOs. For example, the swimming association would not take over the water polo association's programs if it ceased its operations. This particular dimension was also assigned a 'low' value for PSOs because they would unlikely add a new sport to their services because another organization ceased to exist.

According to Thibault et al. (1993), the two dimensions serve as a way to group several of the important imperatives in formulating strategy in order to uncover the types of strategies employed by amateur sport organizations. These imperatives are the essential elements or characteristics of an

organization that managers need to analyze before developing a strategy. As Thibault et al. (1993, p. 32) note,

> Collectively, the dimensions and their strategic imperatives provide information about the context in which nonprofit organizations operate. It is important that this context be identified in order for administrators to develop appropriate strategies for their organizations.

The following two sections describe the dimensions and the corresponding imperatives that make-up Thibault et al.'s (1993) framework. A description is also provided regarding why and how these imperatives were altered to fit the PSO sector.

(1) Program Attractiveness:

As defined earlier, program attractiveness helps to determine a PSOs' ability to provide programs and services to their members while accessing the necessary resources. Even though the current study is investigating the strategic initiatives within the PSO sector, the four imperatives (fundability, client base size, volunteer appeal, and support group appeal) representing this dimension closely resemble the ones used by Thibault et al. (1993). The following sections define and present a rationale for the relevance of each imperative within Thibault et al.'s (1993) framework, and how and why they were modified to fit the PSO sector.

(a) <u>Fundability:</u>

Fundability refers to an organization's ability to obtain financial resources (usually from external sources) for their operational needs

(MacMillan, 1983; Montanari and Bracker, 1986; Butler and Wilson, 1990). Thibault et al. (1993) defined fundability by using the Sport Canada ranking which is given each NSO regarding their domestic programs. PSOs also receive a majority of their funding from a government agency. For example, the PSOs involved in the current study receive their funding from the Alberta Sports Council (hereafter referred to as the Council). As part of their mission to enhance sport for all Albertans, the Council has distributed in excess of $87 million of lottery proceeds to PSOs over the last ten years. This level of financial support has served as a relatively stable source of funds for the PSOs. The "element of stability in the source of funding is also important because it allows administrators within the organizations to plan the future of their ... sport programs" (Thibault et al., 1993, p.33). However, with the current provincial government's policy changes, the funding stability from the Council is now in question. In an effort to become financially self-sufficient, many PSOs are seeking additional dollars from external and internal areas such as sponsorships, fund raising activities, profit generation, and membership fees. Therefore, all funding sources were considered important for this factor.

(b) Client Base Size:

According to Thibault et al. (1993), the client base size refers to the number of members within the organization. For many NSOs and PSOs increasing their membership is not only "a way to access more resources, it is also a way for organizations to legitimize [themselves]" (Thibault et al., 1993, p.34). For example, each member of the association represents additional income through affiliation and program fees. The larger the membership base, the more bargaining power an organization has to legitimize itself in the eyes

of its members, and its external funding sources such as sponsors. In addition to the size of the membership base, many PSOs have different classifications of members encompassing diversified needs such as recreational versus high performance members, and members in one region of the province versus another. Since many PSO leaders develop strategies to increase their entire membership base, this study incorporated the total membership as an imperative.

(c) Volunteer Appeal:

Although Thibault et al. (1993) used the number of coaches within NSOs to measure their volunteer appeal (the number of human resources organizations can attract), PSOs also accept help from other groups of volunteers (e.g., parents, officials, and competition staff). As with any organization relying on volunteers, they face issues of recruiting, training, recognition, motivation, ... etc. For example, since Alberta's volunteers donate roughly four million hours of volunteer time per week to various activities (Thomas, 1993), volunteer groups are considered an important factor to the operations of any PSO. Thomas' (1993, p. 9) study indicated that,

> Alberta has the highest volunteer participation rate in Canada - an extraordinary 40 percent of Albertans, compared to the national average of 27 percent. A prime example of Alberta's giving spirit occurred at the 1992 Alberta Winter Games in Fort McMurray where an army of volunteers, up to 4500 by some counts, mobilized to ensure the Games were a resounding success. In fact, many worked through the night putting snow in place so outdoor events could proceed....

Even before the PSOs were in a position to hire professional staff to handle the day-to-day operations, the leaders were faced with the difficult task of attracting volunteers to their organization. Since there are virtually countless number of nonprofit organizations people can offer their services to, PSO leaders are always searching for creative ways to attract and train an important and essential workforce into their organization. Therefore, the volunteer appeal factor within the current study also took into account the different types of issues facing volunteers including recruitment, training and recognition.

(d) Support Group Appeal:

The final imperative that makes up the program attractiveness dimension is support group appeal. It refers to "the extent to which the [sport and the programs are] visible to, and appeal to, groups capable of providing substantial current or future support" (MacMillan, 1983, p.66). Thibault et al. (1993) considered the media as an important factor for increasing the NSOs' visibility, popularity, and customer awareness. Many NSO managers hoped to translate this exposure into more opportunities such as sponsorship, membership drive, ... etc. However, at the PSO level, scanning all media forms will reveal that the coverage of provincially based sporting events are poorly represented. This may be due to: the sport's popularity, PSOs - media communication lines, the type of event, the media not considering the event as news worthy, ... etc. Hence, this imperative was adjusted to consider other organized support groups along with the media that increased the visibility of PSOs (e.g., schools, and community groups). With the help of such external groups working to entice individuals to join a team, club, or the PSO, the

increased exposure may make the sport to more appealing to a greater number of people which may help the sport in the long run.

(2) Competitive Position:

With the economic realities of the 1990's, this dimension is based on the assumption that people are trying to maximize their buying power of consumer goods. With this understanding, managers are trying to ensure that their costs do not act as "entry" barriers (Porter, 1980). For example, the two major costs for a person to join a particular sports organization are the membership fees and the equipment needed to participate in the sport (Thibault et al., 1993). If these costs are too high, it will restrict the number of people who would be willing to participate in the sport. Therefore the costs act as a constraint when the PSO leaders are trying to attract people into the organization. As the second dimension within Thibault et al.'s (1993) framework, competitive position deals with how the PSOs attract and retain members through the use of two factors: affiliation fees and equipment costs.

(a) <u>Affiliation Fee:</u>

The affiliation fee is the cost for joining an organization for one year. According to Thibault et al. (1993, p.36),

> Here we included such expenditures as memberships in a particular club in order for athletes to have access to training facilities, coaching, and competitions. These costs would be calculated yearly for the average introductory-level participant.

This fee also provides the membership with benefits such as newsletters, insurance, competitions, resources to technical knowledge, ... etc. The fee

structure and membership benefits vary among the PSOs and can create an advantage for one PSO over another (Porter, 1980; Robbins, 1990). For example, many PSOs have a basic membership fee for those who have an interest in the sport but do not participate in any of the programs, and specific membership fees for those in different age or skill groups. With a fee structure catering to the different needs of the membership, PSOs are trying to distribute the program costs among the members who are participating within the programs.

However, Thibault et al.'s (1993) definition of this imperative, an average fee for an introductory-level member, does not take into consideration the benefits of a multiple fee structure that can attract more people into the organization. Although Thibault et al.'s definition of affiliation fees addresses how the organization tries to attract new members, their definition ignores how the organization retains their members from year to year. Therefore this imperative also took into account the different types of memberships available ranging from skill level to age, competitor to official, elite to general membership.

(b) Equipment Costs:

Although high equipment costs can be a deterrent for participants, these costs do vary among the PSOs. Even though Porter (1980) and Robbins (1990) primarily focused on the profit sector, their "strategic competitive advantage" principle can be applied to the variations in equipment costs. In other words, the differences in these costs can create a strategic competitive advantage for one PSO over another. For example, the equipment costs for soccer and hockey can differ by hundreds of dollars

which allows soccer to increase their membership as parents look for a sporting activity matching their financial situation.

Another cost that is incurred are travel costs (e.g., gas, hotel, food, and participation fees) for athletes, parents, and coaches. These costs also vary among sports, for example, it costs less to use a city facility (e.g., a soccer field) versus the facilities in Banff National Park (e.g., groomed cross country skiing trails). The cost for gas and the opportunity costs for driving time are more in favor for the city facilities than the ones outside of town. With people becoming more conscious about their spending habits, equipment and travel costs were considered as a strategic imperative for PSOs.

The final point about the competitive position dimension is that Thibault et al. (1994) argued that it is the total cost that will determine whether or not a person becomes involved in a sport. They claimed that equipment and affiliation costs must be considered together because, when considered separately, they do not accurately represent the financial entry barrier of an association.

> This is a more accurate measure of the financial investment involved when taking up a sport and, as such, better represents what Porter (1980) termed an entry barrier. Such barriers can influence the strategic plans of an [organization] in that [the costs] act as a limiting factor in maintaining or increasing membership (Thibault et al., 1994, p.223).

This argument is based on the assumption that the total cost will be a factor for new members. However, for members who already have the necessary equipment, the affiliation fee and the travel costs become the primary factors

when they consider renewing their membership. Therefore, for the purpose of analysis, this study considered all the costs (equipment, travel, and affiliation) separately, and then in relation to the different types of members (e.g., new members versus established members).

It is also important to keep in mind that although all the imperatives are necessary elements for the PSOs, many of the leaders have learned to manage without some of them. For example, media coverage helps to promote the sport, however the coverage of provincial amateur sports is generally nonexistent. While PSO leaders work to obtain more coverage, they promote the sport to the best of their ability without the support of the media. Therefore it can be argued that the nature of the strategy can be affected by the presence or the absence of any of the imperatives.

As mentioned earlier, all the imperatives such as costs help to evaluate the organizational context, and depending on the results of that analysis, the organization will resemble one of Thibault et al.'s (1993) strategic types: enhancers, innovators, refiners, and explorers. The following section introduces the characteristics of each category.

STRATEGIC TYPES:

There are many typologies within the strategy literature such as those developed by Miles and Snow (1978) and Porter (1985) for profit organizations, and Butler and Wilson's (1990) version for charities. Thibault et al.'s (1993) typology provided very little detail about how NSO managers formulated and implemented strategies. Rather their intent was to provide a framework to analyze the context of amateur sports organizations. They claimed that,

> The framework presented ... serves as a starting point for managers in the identification of imperatives that they must consider when determining organizational situations and developing strategies. Once the situation is identified, organizational members can proceed to formulate the strategy that best fits this situation (Thibault et al., 1993, p. 41).

Other researchers (e.g., Miles and Snow, 1978; Bryson, 1988) also claimed that after the analysis of the strategic imperatives is completed, managers can enhance their organization by creating strategies that best fit the analysis, in that the nature of the imperatives influence the strategic types. Within Thibault et al.'s (1993) framework, they have identified four strategic types (enhancers, innovators, refiners, and explorers) with each one having a particular structure, market, and technology which should be consistent with the environmental demands of amateur sport organizations such as PSOs. Appendix One illustrates the four organizational types, and Appendix Two provides a summary of the characteristics of each type. Before describing each strategic type and the reasoning behind why this framework was used for the PSO sector, it is important to pay heed to Thibault et al.'s (1993) word of caution. That warning was, as with any typology, the description was of ideal types. It would be unrealistic to try to find the exact match for the strategic types. The key is to approximate where the organizations, in this case PSOs, are positioned.

(a) Enhancers:

Enhancer organizations have high results in program attractiveness and competitive position. Organizations within this type have a complex

structure to match their large membership base. Although each PSO receives a certain funding percentage from an external funding agency (e.g., the Council), organizations in this quadrant have a lower dependency compared to the other PSOs in the other quadrants. The organizations are also characterized as mature in age. For example, soccer would be considered a mature sport as opposed to a sport like synchronized swimming because of the number of years soccer has been organized within the province. The enhancer's 'optimizing' strategy is focused on strengthening the organization's existing strong programs and trying to develop new ones with the support of a strong membership network. The risk in starting new programs will be minimal because of the strength and diversity of their existing programming base. In other words, they do not have to rely on any one program. The organizations also have a relatively high level of standardization and low entry barriers for new members. Most organizations strive to move into this quadrant because the strategy will,

> allow administrators to coordinate and deal effectively with the membership. Decisions about strategic initiatives will come in part from the enhancers' central offices, however, given the already established network of programs [and members] and the low risk attached to programs, individual initiatives at the local level are also likely to be encouraged. Therefore, the process of strategy development will flow from decisions made at both the upper and lower levels of the organization (Thibault et al., 1993, p.37).

(b) Innovators:

Organizations within this category have low results in program attractiveness and a strong competitive position. The organizations will also have: a simple structure, a medium level of dependence on external funding, and the age of the organization will be characteristically young. Managers implement 'creative' strategies in an attempt to work towards a higher level of program attractiveness by developing new programs and attracting new members. Since innovators do not have an established base of programs like the enhancers, they will have to develop their own set of new programs. The chances to innovate are encouraging because the PSOs in this quadrant have a strong competitive position (e.g., low affiliation fees or equipment costs in a sport like water polo at the national level). The organizations have a limited number of members and programs, low levels of specialization and formalization, and centralized decision making controls (Thibault et al., 1993).

(c) Refiners:

Organizations classified as refiners have high program attractiveness scores and low competitive position scores. Normally associated with older organizations, these strategic types have a complex structure and low dependency levels on external funding (e.g., at the national level a sport like hockey would fit into this category). They follow a 'fine-tuning' strategy because of the high financial commitment to participate in the organization. According to Thibault et al. (1993) refiners can be expected to show the smallest amount of change in their strategy, in that, managers will continue to make minor modifications to their established programs with the available resources. For example, hockey clubs try to subsidize the high cost of

equipment to reduce the entry barriers. Refiners will also have high levels of specialization and formalization while having centralized and decentralized decision making. "Given that there is a small but developed network of ... programs and the fact that a number of these high cost sports have a certain profile and attractiveness to corporate sponsors, refiners are unlikely to rely heavily on government as their only source of funding" (Thibault et al., 1993, p. 38).

(d) Explorers:

Explorer organizations have low scores within both the program attractiveness and the competitive position dimensions. The organizations within this quadrant are characteristically young, have a simple structure, and are highly dependent on external funding. Since both dimensions have low ratings, PSO leaders usually explore many different avenues (a 'trial and error' strategy) in an attempt to increase either or both dimensions. Once they find a successful program, they will pursue and exploit the possibilities to the fullest to attract more members, reduce the entry costs, and eventually increase the organization's financial resources. The organizations will also have centralized decision making, and low levels of specialization and formulation (Thibault et al., 1993). Relative to the other quadrants, explorers have the most amount of work ahead of them.

The basis of this thesis is to investigate how PSO leaders perceive their organizational context and examine the strategic initiatives they employed based on these perceptions. Miles and Snow (1978) and Child (1972) argued that the effectiveness of the organization's adaptation to

environmental demands is dependent on the dominant coalition's perception and their decisions to cope with relevant conditions. This can also be applied to the amateur sport sector such that the perceptions, conclusions, and decisions of various PSO leaders will differ when addressing the same organizational issue. Therefore more research is need to investigate the nature of these perceptions (e.g., what do they think is the organization's strengths and weaknesses, what factors do they consider influencing the organization, ... etc.). Thibault et al.'s (1993) framework serves as a starting point to identify the imperatives that must be considered when determining the organizational situation and developing strategies. Once the context is identified and analyzed, this framework helps leaders to identify strategic types that best fit their PSO's needs. Thibault et al.'s (1993) framework is also valuable because it gives a method of organizing the data (e.g., the imperatives) while allowing for the complexities within each organization and/or sector. This ability to handle the complexities of each case is important because researchers need "to know much more about the characteristics of each of the organization types before [they] would be able to claim that the typology was a valid and useful framework" (Miles and Snow, 1978, p.192). This ability to probe deeper into each case also applies to Thibault et al.'s (1993) framework, and is consistent with their recommendation to use a qualitative approach to describe the organization types more completely. As mentioned at the beginning of this section, Thibault et al.'s (1993) framework focused primarily on the imperatives and it did not look at the content of the strategies. The aim of this study is to fill that void.

CONCLUSION:

To conclude, the intent of Thibault et al.'s (1993) typology was to provide a framework to analyze the context of amateur sports organizations. After the analysis of the strategic imperatives is completed, Thibault et al. (1993) suggested that managers can enhance their organization by developing and implementing a strategy that matches the organizational category. The four organizational categories (enhancers, innovators, refiners, and explorers) have certain organizational characteristics such as structure and market that need to be understood to uncover the types of strategies that could be employed by PSOs. The underlying theme of this typology is that managers need to understand the contextual factors (the seven imperatives mentioned in this chapter) before developing and implementing a strategy. Therefore, the PSO leaders involved in this study were asked to describe the organizational and environmental contexts and to provide in-depth information about the content of their strategies. The nature of the data collection and other methodological procedures are described in the next chapter.

Chapter Three: METHODOLOGY

Chapter Two concluded by arguing for more strategy based research in order to produce a more complete understanding of strategy in voluntary sport organizations (Miles and Snow, 1978; Thibault et al., 1993). To carry out such a task an appropriate methodology had to be selected. The first section of this chapter outlines this study's methodological basis regarding to its paradigm (interpretive); approach (qualitative); method (multiple case study); and data collection techniques (interviews and resource material). The second section of the chapter presents the procedure by which participating organizations were selected. The third section explains the data collection techniques, and the final section discusses how the data were analyzed.

(1) METHODOLOGICAL FOUNDATION:

Bodgan and Taylor (1975) suggested that the interpretive and positivist paradigms use different research methods to examine different types of issues. They also suggested that it is the researcher's role to discover and understand the issues by looking at how people define them (cf. Miles and Snow, 1978). The current study investigates the content of the strategic initiatives employed by PSO leaders. This study employed an interpretive paradigm with hopes of enhancing our understanding of the strategies employed in the PSO sector, and to broaden the scope of a large body of primarily positivistic strategy research.

According to Henderson (1991, p.28), "the research approach should fit the characteristics of the phenomena under study and the assumptions of the paradigm from which one is operating." The assumptions of an

interpretive paradigm led to the implementation of a qualitative approach to detail the strategic process of PSOs.

> The quantitative approach employs "hard" data with a focus on statistical procedures, while the qualitative approach focuses on "soft" (rich and deep) explanations of symbolic meaning. Ultimately the results of using the ... qualitative approach are dependent on intuition as well as the meaning of reality from a number of perspectives.... In qualitative approaches the focus is on explaining, developing patterns, and developing grounded theory by using depth of analysis and detail (Henderson, 1991, p.27).

By incorporating a qualitative approach in the current study, the investigation of the strategic initiatives of PSOs is no longer limited to the sort of data amenable to statistical procedures. Although Bryman (1989) has indicated that a majority of organizational research is quantitative in nature, a qualitative approach can provide insight into the subjective experiences and behaviors of the professional and volunteer leaders in PSOs.

Since a qualitative approach provides a continuum of available methods and techniques,

> Denzin (1978) suggested that methods ought to be judged in terms of their contributions to the solution of theoretical and substantive problems of the discipline rather than in terms of abstract elegance. The methods selected will depend not only on the paradigm, the general approach, the questions asked, but also upon pragmatic issues such as the resources available, the time, limits to one's own abilities, the

> focus and priority of the research, and whether breadth or depth is desired (Henderson, 1991, p.29).

For example, a qualitative study using case studies should be written to capture the richness of the data (e.g., interview-based data) in order to translate for a broader audience the meaning that interview subjects ascribe to their actions (Miles and Snow, 1978; Fontana and Frey, 1994; Stake, 1994). Case studies can also serve as a good communication instrument to convey the details of the organizations, thus allowing academicians and students to peer inside the world of PSOs. In other words, case studies help readers to understand the contents of the strategies developed within the PSO sector (e.g., sometimes systematic, sometimes haphazard or 'trial and error').

Furthermore, Bryman (1989) argued that case studies are popular with practicing managers. He claimed that case studies may be more attractive because the managers' closeness to detail and familiarity with "organizations can be more meaningful to them than the preoccupation with often abstract variables that characterizes much quantitative research" (p. 178). This is an important point to consider for the current study because readers interested in sport organizations will be able to compare their own situation to the comments and concerns of other PSO leaders (e.g., issues regarding funding, volunteers, and membership). Case studies can also be used to achieve insights into areas not examined by previous research, or areas that are not well documented such as strategy formulation. With only a few studies involving PSOs (Slack, 1983; Wood, 1988), case studies will further the understanding of the strategic initiatives employed by PSOs.

Although case studies have been subject to criticisms (e.g., they can not represent a wider population, they lack rigor, and they take too long to complete), these criticisms have been answered at some length by case study proponents such as Mitchell (1983) and Stake (1994). Concerns about generalizability can also be minimized by the use of a multiple case study method (Bryman, 1989). A multiple case study method was implemented in the current research to present the details of the organizations, and the meaningful comments and conclusions of why PSO leaders utilize strategies to tackle organizational issues.

> Thus the methods of casework actually used are to learn enough about the case to encapsulate complex meanings into a finite report but to describe the case in sufficient descriptive narrative so that readers can vicariously experience these happenings, and draw their own conclusions (Stake, 1994, p. 243).

In essence, case studies can be used both as a product of and a process for learning. Following this line of reasoning, the case studies are selected and presented in the belief that readers familiar with PSOs will be able to recognize and relate to comments and concerns reported about topics such as funding, membership, volunteers, and promotion. The next section outlines how the four PSOs were selected followed by the presentation of the data collection techniques employed to gather the leaderships' perceptions and the issues facing their organization.

(2) SELECTION PROCEDURE FOR THE PSOs:

On the basis of a modified version of Thibault et al.'s (1993) framework, four cases were chosen to portray the PSOs' context and the resultant differences in their strategic initiatives. The following criteria were used to select the PSOs. First, the PSO must have a corresponding NSO that was used in Thibault et al.'s (1993) study. Since domestic sport programs are delivered through a NSO-PSO partnership, the results of Thibault et al.'s (1993) NSO study served as a good starting point in determining the strategic type of each PSO. Second, in order to collect data, the researcher must have access to two sources of data (documents and interviewees). Both data sources were easily obtained with the approval from the Executive Director and President of each PSO. During the course of the study, it was possible that there would be some PSOs and/or PSO members reluctant to participate in the study. Although the study did follow the protocol procedures for confidentiality and ethics, if any participation and/or cooperation problems arose, another organization fulfilling the criteria would have been substituted. Fortunately, this circumstance did not arise. Since there were a number of PSOs that qualified for participation in the study according to the first two criteria, the four PSOs selected represent the first organizations that the researcher approached.

(3) DATA COLLECTION:

The primary source of data collection was semi-structured interviews, and a secondary source was documentary resource material (e.g., by-laws, membership handbooks) obtained from the PSOs. Resource materials were a useful means for the interviewer to become familiar with each PSO and to

develop the interview questions. The questions were designed to allow the interviewees an opportunity to express their opinions about certain topics, and at the same time, give the interviewer the freedom to pursue any interesting comments that emerged. As stated earlier, the four cases were written from the data gathered from both sources.

(a) Resource Material:

Since the PSO leaders were given full assurances for the confidentiality of the information, the following documents were examined: minutes of the Annual General Meetings (AGM) and board of director meetings, constitution and bylaws, program descriptions, newsletters, and Alberta Sport Council Grant applications. Appendix Three lists the information that was taken from the documents. After reviewing the resource material, a basic understanding of the PSOs and their organizational environment was gained. This background information helped with the initial formulation of the case studies and to substantiate or qualify comments gained from the interviews.

(b) Interview Protocol:

After familiarizing myself with each organization and with their documents, a majority of the data were collected through the use of individual, face-to-face, semi-structured interviews (see Appendix Four for the interview protocol). A total of five interviews per PSO were conducted with staff and board members, who had formal authority to make decisions within their organization. Across the four PSOs, a total of twenty interviews were deemed an appropriate number for hearing different points of view (e.g., professional

and volunteers, men and women) without becoming unwieldy. Of all the interviews conducted, seven were with professional staff members and thirteen were with volunteer board members. Fourteen interviewees were males and six were female. Although the interviewee selection criteria will be described below, one person was interviewed twice (the first and last interview) because the organization had a limited number of possible interviewees.

Before the interviews took place, initial meetings with the Executive Directors were used to evaluate potential interviewees (staff and board members). With an understanding that the researcher was looking for proponents and opponents of their strategic process, the Executive Director used the following criteria to recommend potential interviewees. First, to ensure that each interviewee had a good understanding of the PSO's organizational and environmental factors, he/she must have been involved with the PSO for at least one year. Second, each person must be contributing to their organization's strategic planning process. Finally, the interviewees must be easily accessible.

With regard to accessibility, PSO staff members are characteristically located in one central area of the province. The location of the Percy Page Centre in Edmonton, which contains over 60 PSO offices, served as an excellent interview venue for three of the PSOs. Since the office of the fourth PSO was located in Calgary, travel was necessary to interview its staff members. Travel was also necessary to interview certain board members who characteristically live in different regions of the province. Seven of the twenty interviewees lived in Calgary, ten in Edmonton, one in Lethbridge, one in Medicine Hat, and one in Grande Prairie.

All the interviews were scheduled via telephone. After introducing myself, the potential interviewees were told the purpose of the study, the nature of the interview, and how and why they were selected for the interview. Although there was no monetary compensation for their involvement in the study, the leaders who requested a copy of the completed study were assured that a copy would be sent. After assuring anonymity for the organization and for themselves, all the potential interviewees agreed to participate in the study. After discussing the possibility of recording the session, a convenient time and place for the interview was scheduled.

To ensure privacy, the interviews were conducted in a closed room. Prior to starting the interview, the interviewee was reminded of the purpose of the study, the general topics that would be covered during the session, and was asked to confirm their approval to record the interview. A guarantee was reiterated that the recordings would remain in the researcher's care after the study's completion. This promise was also extended to field notes and data collection records by coding the identity of each contributor. Although the results for the study may be published, the data will be in an aggregate form so that individual identities of the interviewees and their organization will remain concealed. After assuring that all of their questions were answered, the interviewee and a witness signed a consent form to participate in the study (see Appendix Five for a copy of the form). Rapport was built with the interviewee to increase their level of comfort, and to help gain their trust and confidence in the study (Berg, 1989; Henderson, 1991; Fontana and Frey, 1994).

(c) Interviews:

The length of the interview depended upon the quality of the data provided and whether any clarification and/or expansion was needed. Each interview averaged approximately one hour in length. As stated earlier, the interviews were guided with semi-structured questions (Berg, 1989). This meant that certain topics were discussed while maintaining enough flexibility to pursue other interesting topics that arose. As with any interesting conversation, there were many times where it could have lasted for hours, however, time constraints required the discussion to be brought back to the topics at hand: something that Berg (1989) approves of doing. Each interview provided many answers and produced plenty of new questions for the next one.

The initial interview questions were based on the work of Thibault et al. (1993). The questions were developed to understand the nature of each PSOs' contextual factors and the leaders' strategic initiatives. The initial interviews included the following types of questions: "What are the strengths and weaknesses of the organization?", "What are the major issues facing the PSO?", "Who made the decisions?", "How were they made?", "Where would you like to see the organization five years into the future?" Appendix Six contains a list of these initial questions. The order and types of questions (essential, throw-away, and probing) were designed to build a comfortable atmosphere for the interviewees (Berg, 1989) and asked in a respectful manner (Fontana and Frey, 1994). However, for any general or ambiguous answers, follow-up questions were asked to clarify and/or expand such comments.

The questions in the latter interviews were specifically designed to probe deeper into the issues that had surfaced in earlier interviews. For example, when asked about sponsorship, one of the interviewees mentioned a "cross-marketing" sponsorship contract without knowing the exact details. He suggested that I direct more detailed questions, regarding the contract terms, towards the Executive Director. Hence, the general sponsorship question was changed to a cross-marketing question for the next interview. Although this was a new question, the Executive Director was also asked additional follow-up questions to elicit more information about the contract terms he initially gave. As forecast in Chapter Two, the initial questions evolved as the interviews were completed to help develop a more complete description of organizations and their strategies (Miles and Snow, 1978; Thibault et al., 1993).

Although the interview questions and answers were recorded, notes were sparingly taken throughout the interview. While trying not to distract the interviewees, the notes served as reminders for interesting ideas and/or for clarification during the interview (Fontana and Frey, 1994). After the interview was completed, the tapes were transcribed. The transcription process helped to confirm previously attained data, determine if another interview was necessary with that particular individual, and improve the nature of future interviews. As each interview was conducted and transcribed, a journal was kept to record impressions, observations, and ideas from the interviews. "One might keep track of puzzlements and thoughts, probe questions that were useful, and evaluative comments about the interviews that may be useful later" (Henderson, 1991, p.81). The journal also helped to improve the nature of the questions for the next interview.

(4) DATA ANALYSIS:

Henderson (1991) proposes that it is acceptable for researchers to go back to the conceptual framework and rewrite it as data are collected. This was not necessary for the current study because, as described in Chapter Two, changes were made to Thibault et al.'s (1993) imperatives so that they more closely fit the conditions of the PSO sector. In order to arrange the large amount of data into a controllable format for the discussion chapter, certain imperatives (e.g., funding) also required an alteration, namely the creation of secondary categories (e.g., sponsorship, user fees).

To make sense of a large volume of interview data, Henderson (1991) also proposed that data analysis could begin early in the data collection process, in that collecting, coding, and interpreting data could occur simultaneously. As stated earlier, the interview questions were altered to probe further into issues of the strategic initiatives, and as the interviews were transcribed, drafts of the cases were written as a way to organize the information. Before the first draft of each case was written, each transcribed manuscript was reviewed to find comments relating to certain topic areas. For example, when an interviewee made comments about the PSO's sponsorship policy, notes were taken about the contents of statement. The notes identified who made the statement, on what page the comments are located within the transcript manuscript, and the nature of the comments. After half of the interviews were completed for a PSO, the first draft of each case was written using the analysis of the available data. The notes were used as an index to the original transcription thus ensuring the text was accurately quoted.

Once the interviews and the analysis process were completed for each PSO, the comments were compared for patterns or commonalties, and then

added to the case description. As stated earlier, this process did cause problems for some sections (such as funding) because the amount of information was still too large to notice any patterns. In this case, the section was broken down into sub-sections until the data were in controllable amounts (e.g., the Council, sponsorship, and surplus funds are some of the subsections of funding). If there was more than one dominant point of view regarding a certain portion of the PSO's strategic initiative (e.g., the view "running the organization like a business" that was presented in Case C), those comments were added to the case. Although the final version of the cases contain general information about the PSO, its strategies, and any differing views regarding these strategies, the case descriptions hopefully included enough information to allow the readers to draw their own conclusions about the organizations and their strategies. The discussion chapter offers the author's analysis of the PSOs, and the contents of their strategies.

Finally, Henderson (1991, p.143) also suggested that "while the exact area that you wish to explore may already be delineated in your guiding hypotheses, additional content areas are likely to emerge during interpretation." For the current study, the important point was to keep an open mind during the data analysis process and not eliminate any emerging content possibilities too soon.

(5) CONCLUSION:

This chapter addressed a number of methodological issues regarding the current study. The first section of this chapter outlined the study's methodological foundations. Since the study was successful in enhancing our

understanding of the strategic initiatives employed in the PSO sector, the interpretive paradigm served as a useful basis for the study. The study also used a qualitative approach with multiple case study, and gathered data by interviewing PSO leaders and reviewing the organizations' resource materials. This chapter also detailed the selection procedure for the PSOs, the data collection techniques, and how the data was analyzed. The next chapter presents the four case studies to introduce the readers to the context and the strategic initiatives of each PSO.

Chapter 4: PSO CASES

The primary focus of this chapter is to describe the strategies formulated and implemented by the PSO leaders involved in this study. Although the identities of the interviewees and their organizations are to remain anonymous, the cases still provide an opportunity to "look inside the world" of each organization. The following section briefly summarizes the general characteristics of the sports represented by the sample of PSOs studied. This summary is followed by a detailed account of each of the four cases.

(1) GENERAL CHARACTERISTICS OF THE SPORTS:

Many representatives within the four PSOs considered their sport to be a 'life time activity'. In other words, they believe that people of all ages can participate in the sport. The four sports are also recognized as Olympic events; the first one (represented by Case A) is involved in the Winter Olympics, and the last three (represented by Cases B, C, and D) are involved in the Summer Olympics. Case A represents an outdoor winter sport, Case B represents an outdoor summer sport, and Cases C and D represent sports that are played outdoors in the summer and indoors in the winter. Of the four PSOs, Case D represents the only sport that is involved in the junior and senior high school competitive schedule.

(2) CASE A:

This particular PSO represents a Winter Olympic sport and has as its mission: "to deliver for Canada superior programs and events that develop individual potential and winning teams." To carry out this mission, the PSO's

office is located in Calgary. Although most PSO offices are based in Edmonton, the office for this organization is located in this Southern Alberta city because of its close proximity to the sport's training and racing facilities. The office building was originally used for the 1988 Winter Olympics, and has since been renovated to fit the association's operating needs. In comparison to other PSOs, this organization is mature in age; is less dependent on government-provided financial support; and exhibits high levels of specialization and formalization. The organizational design resembles what the sport literature would classify as a professional bureaucratic structure (Kikulis, Slack, Hinings, and Zimmerman 1989). This means that the professional expertise (i.e., the technical knowledge of the sport) is acknowledged to rest with the Technical Director and his coaching staff. Although the technical expertise is concentrated with this group of professionals, the organization is fortunate to have other sources of technical support available (e.g., board members). Many of these board members are involved in the sport through their children's participation in the elite programs, as racing event volunteers, and/or as former elite competitors. As a former National Team coach, the President also provides considerable technical support to the organization.

The Technical Director's staff includes a head coach and an assistant coach while the Executive Director's administrative staff is comprised of two office administrators (one responsible for communication and the other for finance). Of these six staff members, four are male and two are female. All the staff members are led by the Executive Director, who is in turn directed by the board of directors. According to the Executive Director, his title changed to 'President' during the 1993/94 season,

> We experimented with the title 'General Manager', and recently changed it to President to try to reflect a change we are trying to do with the board, i.e., make the board more policy and procedure oriented and my position very "hands on" ....

The structure of the board also changed to allow for changes in the staff titles. As the board attempted to decentralize the operational needs of the PSO, the title for the leader of the board was changed to 'chairman'. The eleven volunteer positions on the current board are: chairman, past-chairman, vice-chairman program, chairman-leadership, director at large, chairman-north zone, chairman-south zone, chairman-medical, chairman-marketing, chairman-membership, and [affiliated organization] director.

The professional and volunteer leaders work to develop the sport throughout the province. Many of these leaders indicated that the local clubs throughout the province attempt to fulfill their membership's day-to-day needs while the PSO "...attempts to provide the entire family with a positive sporting experience" through its programming. These programs include: entry level clinics and leagues, a corporate sponsored skill awards program, competitive racing programs, provincial teams, hosting major competitions (e.g., World Cup races), and enhancing the sport through the training of volunteers, officials, and coaches. To participate in any of these programs, a person must become a member of the PSO by registering with a local club or contacting the PSO office directly. The members receive the following benefits: supporting programs that develop individual potential; participation in a discipline within the sport, technical development and officials' programs, national and/or international ranking with the appropriate license, liability insurance (2nd and 3rd party); access to regional seminars and clinics,

weekly information packages, association window decal, and a magazine-type newsletter delivered to members' homes. The members are also eligible to win the following prizes: two tickets to anywhere in Canada where the airline sponsor flies or to Frankfurt (Germany), and an opportunity to win free gasoline from a sponsoring oil company. Although the PSO provides many types of programs and benefits, the number of members over the past few years has been fairly constant (averaging 5,000). Before describing the strategic initiatives pursued by the PSO's leaders to strengthen their membership base programming and financial stability, the essential contextual factors (such as membership needs and costs) that influenced the leaders will be introduced.

Many of the leaders who were interviewed agreed that Alberta is one of the best provinces to participate in this sport because of the close proximity of the mountains. As a result of this easy access, the leaders felt that there are many more Albertans participating in the sport than there are members of the PSO, and that it has been difficult attracting new members to the organization. The following statement from a board member is indicative of the views held by other leaders in the organization regarding membership.

> Each year we try different value packages, [and] general memberships but I think ... that we are a pretty internally focused organization. That has its good sides and bad sides. We produce excellent athletes. We produce ... excellent people out of our program. Those things only happen by being very, very focused. And when you are internally focused like that, it is tough to go out and say to all of those people "hey, why don't

you come on in here and have a look at what we are doing and become a member."

He also mentioned that the corresponding NSO is also internally focused on racing and has a similar membership problem. Even with high media exposure across the country, resulting from the international success of the national team, the NSO has not been able to increase its membership. The board member claimed that they hoped that the exposure will increase the popularity of the sport, draw new competitors to the sport and remind people who enjoy the sport on a recreational level to participate more often. Nevertheless, with the PSO's internal focus on racing, it was difficult to understand why the leaders believed that the public would want to join the association as general members beyond learning the sport's basic skills and/or competing in racing events. In actuality, people who are only interested in learning the basic skills of the sport, can purchase lessons at a local club, which reduces the PSO's power to attract new members even further.

The initial membership fee is relatively low compared to other sports. A basic membership is $16.05 per general member (parents, coaches, officials, and any other supporter) and $25.00 per competitor. However, the competitors' annual membership fee increases when one of the following 'program' fees is added to their 'basic membership' cost:

Table 1: Membership Categories and Fee Structure for PSO A

Membership	Fee
Entry level league	$7
Nationally carded athletes	$50
International carded athletes	$160
Masters' athletes	$11

Although the membership fees are relatively flexible in meeting the different needs of competitors through these four programs, many of the interviewees

stated that they have to monitor the costs for the participants at the 'grassroots' level. According to the President,

> I think trying to control the cost at the grassroots level is really important. I have a fear that without watching it, our sport could get to a position where it prices itself out [as a popular past time and]... that you have to be a doctor or lawyer to have your kids into [the sport]. I am very cognizant of that - to make sure that we don't do that. Actually, when you compare us to a lot of other sports, at the entry level, we are holding our own. Other sports are trying to raise their prices faster than we are.

Shortly after this comment, he stated that the participants' total affiliation fee could become quite high when the PSO's membership fees are added to the local club's registration fee. By his own account,

> ... it is important that we work closely with the clubs and everyone is aware of it. It is easy for us because we are a relatively small portion of the total cost, to think "well, we can raise it $5 or $10 because it is small" but I think that it is important that we outweigh that kind of thinking.... Two years ago [an entry level program] doubled because of some financial struggles the association was in. Now we have held it constant for two years and hopefully, at least another year so that the costs don't increase.

The above view indicates that the leaders are trying to maintain a low membership fee to attract more participants into their programs. However, the one cost that management does not have any control over is the competition expenses such as travel and equipment.

Although the current general membership fee is relatively inexpensive compared to other PSOs, the competition cost for the recreational participant is expensive. When asked about these high costs, a board member gave the following response.

> No doubt about [the expensive nature of the sport] and to say otherwise would be to avoid the obvious. When you put all of the things together that you need to have to [participate], it is expensive. You need transportation to get to [the facilities]. You need money to be able to buy [a pass to use the facilities]. You need money to be able to buy the equipment.

For the elite athletes, these expenses increase significantly (e.g., specialized equipment, additional coaching and training, national and international trips for competitions ...etc.). Although the PSO offers some financial assistance, it is limited to those competitors who achieve a high performance standard. All other competitors pay the entire amount themselves (between $4,000 and $10,000 per year). Although the leaders are trying to reduce some of these costs through their symbiotic relationship with facility operators, they expressed concerns that the combination of competition costs and affiliation fees may hinder people from participating in the sport.

Along with the expensive nature of the sport, another reason cited as problematic in attracting new members was the difficulty in accommodating the needs of aspiring athletes in various regions of the province. In other words, members living near training and racing facilities (Calgary, Banff, and Canmore) have different needs than constituents who live further away (Medicine Hat, Grande Prairie, Fort McMurray, and Edmonton). For example, competitors require good training facilities to excel in the sport, and it

becomes difficult for those who live further away to train at the higher levels necessary to remain competitive. Although the PSO leaders stated that the facility issue is on-going, they must also tackle another membership issue, namely, balancing the needs between the elite athletes and the recreational members. According to one board member, the PSO provides entry level programs for mass participants.

> ... as we educate the parents and athletes through the process, during the metamorphosis from entry level to elite level programs, we'll have a body of people within the organization who'll tend to be more to the general participation side rather than the elite athlete side. At the senior executive level of the organization, there is a very firm fix on the notion of producing elite athletes, and we make no apologies for it. ... When we look at the individuals who we produce, these are fine, fine people let alone athletes and so we make no apologies for that. It is interesting that the same people, who tend to decry the elite athlete program, are just as proud when one of them goes out and wins an international event or an Olympic medal.

A closer inspection of the entry level programs indicates that they are designed for children (potential elite athletes) and not for adults. Every individual interviewed felt that the organization does have a balance between the elite and entry level programs, however, as evident in the following discussion, a strategy was developed to increase the rate of young entry level and/or recreational athletes moving into the elite programs.

The board and staff members tried to balance the needs of the aspiring elite athlete and the recreational athlete through ability-level racing. The

ability-level program was designed to give athletes an opportunity to achieve success and recognition within their own age and ability group. This program, which is unique to Alberta and is closely monitored by other Canadian provinces, has the following objectives: to provide excellent programs and events for Albertans; to provide competitions based on the ability-level of the participants; and to encourage and provide opportunities for the members to develop individual potential. To illustrate the quality and success of the ability-level racing program, many of the leaders provided examples of international achievements by former national team members who instruct, and/or have participated in the PSO's program during their youth.

To achieve these objectives, the original two age categories, Juvenile-aged athletes (11-14 years old) and Junior-aged athletes (15-18 years old), were modified to contain three to four ability levels (depending on the number of people in the category). All the competitors within the ability-level program receive a national competitor's card once they turn eleven years old which functions as a 'license' to race. The license number, along with the athletes' profile, is entered into a national database which is updated, according to a national point system for each participant. The accumulation of points in turn determines each individual's national ranking and helps to determine their ability level and qualifications for future races.

A staff member described the development of the ability-level program as a modification of an existing 'age-level' program. A successful European head coach, who sat on the board prior to the program change and is currently the Technical Director, noticed that the current system was not working and presented an idea to change it. His idea was to,

> change it to (instead of age based racing, instead of financially based racing, participatory versus elite), ... something called ability-level racing.... We identified, about 4-5 years ago, that we are getting more and more kids moving into, what we call, a participatory stream and not staying in the elite stream. There are a lot of talented kids that would be in the elite stream but they go into the participatory stream (parental pressure, peer group pressure, cheaper), and we are losing all kinds of good people to it. The other side of it was the people that were running the participatory stream, the volunteers, ... were weak technically in terms of running races. ... So we are getting all these masses of people shifting to a really weak participatory program (losing athletes, losing volunteers, losing care and concern for the whole program).

As their competitive participant numbers were decreasing, the elite coaches questioned,

> "What is going on here?", "Where are we going to get some talent from?", and "Alberta is going to get wiped out if we don't start mixing participatory stream kids into the elite stream." That was what the problem was, in that we were running out of good athletes and we decided (we determined) that the barriers were how the program was set up. It was too easy to go into the participatory [side] versus the elite [side]. Besides [the participatory side] is cheaper.

The adjustments to the program's philosophy from age-level racing to ability-level racing occurred gradually over a three to four year period. By adjusting

an older program, the leaders were able to increase the number of racers in the elite programs. However, the changes to the program were sufficient for a staff member to claim that "... all of a sudden - we are shoving change down their throats".

The above reference to 'change' provides another example of the PSO's strategic initiative. When asked to expand upon his comment, the staff member described a problem that resulted from changing to the ability-level racing philosophy.

> I thought the concept was way ahead of any other racing program in Canada. ... So we divided up our program ... [but] this was a big battle at our AGM [Annual General Meeting]. [The European coach] and several board members said that "we have to make this change for the good of the province", and a lot of people saying "Change? What for? We don't need change; my kid is having fun. I like this participatory program." So there was quite a battle, ... [the European coach] said, "Look, if we don't do this, I'm walking [quitting]. I am done." Couple of the board members said the same thing, and it passed.

The problem was that the change created friction and animosity between the PSO office and their members (e.g., parent and elite club coaches who did not want or understand the changes). After the program change, the coaches became responsible for 'athlete management' - deciding when racers train and compete, and evaluating the ability level of athletes. Prior to the change, any adjustments to an athlete's racing status were decided by a staff member, whose position was phased out shortly after the change was implemented.

According to many of the technical staff members, shifting the responsibility to the coaches served as a step to elevate the coaching profession within the province. Whereas, the coaches in many other sports operate in a volunteer capacity, the coaches (e.g., club head coaches) in this sport are paid professionals whose salaries range from $30,000 to $40,000 per year. Although the actual number of highly paid coaches in Alberta is low, a majority of them work at local clubs resulting in several strata of coaches. The larger clubs subsidize their staff with professional development opportunities through the National Coaching Certification Program (NCCP) and upgrading courses. The smaller clubs however, facing financial restrictions for coaching development, rely on the coaches' initiatives to enroll in the NCCP and upgrading courses offered by the PSO.

Prior to the changes in the ability-level program, the PSO invited the head coaches from clubs around the province to participate in seminars designed to improve their technical knowledge (e.g., teaching skills, error detection and correction, ...etc.). The seminars were designed in such a way that the coaches went back to their clubs and distributed the information to their staff. According to many of the executives who were interviewed, similar seminars were used to introduce coaches to the ability-level philosophy, to train coaches about athlete management, and to eventually remove or lessen the friction caused by the program changes.

Historically, PSO leaders used seminars as an educational tool to train club executives and volunteers. Management attributes this early emphasis on leadership development as a major reason for the PSO's growth over the last decade. As one board member expressed,

> ... very few people in our organization embraced the status quo.... I think it's important to realize that you could look back eight years ago and you could pick out, at most, a half dozen leaders in the sport in the entire province. Now when you look at the leaders in the province, the clubs are much stronger and most clubs have a group of leaders. We have people involved at all levels of the sport and they are extremely competent people. The board continues to attract stronger and stronger folks.... So you could take one or two key people out of the sport today and not have an impact on the sport. You take one or two key people out of the sport seven to eight years ago, it would be disastrous.

When asked if these leaders emerged or were purposely developed, he continued by stating that the strategy,

> ... was very deliberate! You know, in the same way we as a board would agonize over key staff decisions and who we're going to hire, we very deliberately set out from year to year to accomplish certain types of goals and to improve our organization in a number of areas so when we look back over one year to the next we would be able to see very definite measurable improvements in certain areas.... It was very deliberate.

In essence, to educate the coaches about the program changes, such as athlete management, the organization revamped an existing leadership development strategy. Many of the board members claimed that refining this

strategy improved the organization's leadership, and continues to do so (e.g., volunteer training).

From the testimonials of many of the PSO's leaders, their strong network of volunteers was established over time and with the help of a well-documented sport history. All volunteers, who work at the racing events, receive training through officiating and upgrading courses (during the season and on-site participation). A majority of the volunteer base gained their initial strength and maturity through parental involvement in the entry level programs, and many of them were fortunate to gain additional experience at the 1988 Winter Olympics in Calgary. The organization is now, in fact, recruiting and/or accepting second and third generation volunteers from their original volunteer base. Many of the new volunteers are individuals who graduated from the PSO's programs and are returning with their children.

These volunteers provide valuable assistance to the PSO's programs, such as helping with many of the racing components, from athlete safety to prize giving. For example, volunteers assist in the preparation of the race course (e.g., placement of sophisticated timing devices). The sport also has a very precise set of rules and guidelines for competition. The volunteers must have a good understanding of these rules and regulations in order for the events to run smoothly. According to the PSO leaders, the volunteers working at races are, generally speaking, well trained and comprehend the procedures and rules of the entire competition. However, based on the following comments from the president, the same is not true for other volunteers.

> In terms of our board, we do a board orientation each year because of new members coming in. That would probably be the extent of our volunteer training.... I think there is still room

to improve our orientation and education of our volunteers. Again, that is one of those nice to do things. I haven't had time to think about it.

Nevertheless, the PSO employed a strategy that was used in the past to train leaders within the sport (e.g., club executives and coaches), and refined it to train racing event volunteers. This example also illustrates that training priority was given to the event volunteers over others because they reduce the cost of the association's most important programs.

The final example of the PSO's strategic initiatives demonstrates how the leaders moved the organization towards self-sufficiency. Even with the use of volunteers to reduce program costs, the leaders recognized and planned creative measures to change the financial 'picture' of the organization. Currently they are funded by two external sources: the Canadian Olympic Development Association (CODA) and the Alberta Sport Council. Other funding sources used to support their programs include sponsorship, user fees, casinos and fund raising activities such as hosting World Cup racing events. Generally speaking, these activities are extremely important in reducing the costs of the program; helping the organization to become as self-sufficient as possible; providing athletes with an elite level competition in Alberta (e.g., national and international racing in Alberta); and increasing the profile of the sport.

As a result of their proactive funding strategies, all of the leaders interviewed believe that the organization could essentially be self-sufficient today. If the current funding reduction trend continues, the PSO leaders felt that, after some program adjustments, the organization could continue to operate. For example, they suggested that they would continue to focus on

the elite development programs and the ability-level racing program, however, they would also restructure or eliminate the Council's required programs (e.g., sport outreach clinics that are difficult to operate and not financially viable). The PSO's executives would also focus on pursuing additional corporate sponsorship contracts to replace any lost external funding. However, as the following board member's comments indicate, the organization does not simply ask for money.

> We also understand that it is a two-way street. We understand that there has to be something in it for the sponsor. You have to sit with these corporations, find out what their corporate philosophy is, where they want to go with their advertising and their promotions.

For example, the PSO has used innovative strategies to obtain sponsorship deals from a chocolate bar company and an oil company. The following 'cross marketing' example involves a deal where the two sponsors were able to get what they needed from the sport, and the PSO was able to get what it needed from the two sponsors.

This particular deal developed because one of their members knew a representative of a company that produced food products. This company was not interested in sponsoring the sport directly but in obtaining shelf space within a grocery store chain for its products. The PSO leaders knew of a grocery store franchise that wanted to be involved in their high profile sport but did not want to contribute any financial resources. Thus, the President negotiated shelf space from the grocery store chain in exchange for a high profile and primary sponsorship deal for a series of events. The PSO received 'goods-in-kind' from both companies, money from the food company, and a

title sponsor for the program from the grocery store chain. When the food company decided not to renew the contract after four years, the President offered a similar deal to another interested party. A new four year contract was signed worth approximately $35,000 per year. Many of the decision makers made it clear that they no longer believe in the "days of just asking companies for money".

Another example of the PSO's creative funding strategy was provided by their volunteer group, who established a separate Foundation for the association and raised funds through events such as auctions and celebrity racing events. It is noteworthy that in all of the conversations with staff and board members, the Foundation's funds were discussed as being off-limits until the amount was high enough to earn a 'substantial' interest amount. The following statement from a board member indicates the function and status of the Foundation:

> I have kept that out of the conversation up to this point because to this point, there has been a lot of money raised into the Foundation but none of that has yet flowed into our organization. [There] was a threshold amount that the Foundation needed to reach before it could begin to flow any funding to [the association]. I have always tried to keep that off the table because if we sit and wait for that funding to arrive, in the mean time we won't be managing ourselves fiscally well. So if we do that now, when that money does arrive we will be better off. We will have more money to enhance our programs.

The restraint that the PSO's leaders have shown regarding the Foundation's funds is viewed by many within the PSO as one of the major strengths of the

organization's leadership. For example, according to another board member, the PSO "was one of the first organized sports in Alberta to take the business of running the sport off the kitchen table and organize it professionally and manage it professionally". This commitment to 'professionalization' is still evident as the leadership continues to use creative strategies (e.g., sponsorships and the Foundation) to move the organization towards self-sufficiency.

In fact, all three examples presented in this case (ability-level racing, leadership development, financial self-sufficiency) illustrate how the PSO's leaders have employed strategic initiatives to ensure that the association continues to succeed and grow in the province. According to a board member, the success of the organization will also depend on their future initiatives.

> We have done some mission [statement] work, and that is always painful for organizations to do. Since I have been involved in the board, we have gone through that process in a major way three times. We're getting closer to a mission or a definition of what the purpose of our organization is. We are not there yet though. I really think it is going to take us another year ... part of the problem there is that it is not just Alberta. [The other PSOs across] the entire country [have] to be in "sync" and ... we can't operate as a complete island on our own. I really feel that we are about a year away that, but we are working [towards it].

To continue to be leaders in the sport, many of the interviewees listed a number of items (in addition to its mission development) that must be

attended to in the future: increasing their membership base, improving the entry and elite programs, continuing to develop leaders (e.g., coaches and volunteers), and continuing the process towards self-sufficiency. To conclude this case, the PSO leaders refined older strategies for the ability-level and leadership development programs and created new strategies to move towards financial self-sufficiency.

CASE B:

The PSO in Case B represents a sport which is usually associated with a summer time activity for people of all ages. Whereas the PSO leaders in the previous case were refining and/or creating strategies to address programming and funding needs, the leaders in Case B have been exploring a variety of strategies to improve their organization in a number of areas. This case will highlight the strategic initiatives that the leaders have employed to increase their membership, volunteer, and funding base. Before describing these initiatives, the case begins by introducing the reader to the nature of this organization.

Although the sport has been around since the early 1900's, the PSO was only recently established in 1973 as an incorporated organization. As a characteristically young organization, it is highly dependent on external funding sources; has moderate levels of centralization and formalization; and has high levels of specialization because of the sport's multi-disciplinary nature. In other words, the organization's structural design resembles what Kikulis et al. (1989) call an administrative structure. The PSO's mission is "to act as the organizing body that promotes all aspects of the sport in the province of Alberta." All the programs and services that are offered by the organization revolve around the education, promotion, and development of the sport through the following objectives.

(1) To develop a strong financial base.
(2) To develop a strong volunteer base.
(3) To increase membership.
(4) To improve communication between the [PSO] and its membership.
(5) To have an effective administration.
(6) To protect and advocate the rights of [participants of the sport].
(7) To develop a strong racing program.
(8) To develop a strong coaching program.

(9) To implement a [sport] Education Program.
(10) To develop a strong grassroots program.

According to the manager of the PSO, the objectives are intentionally vague so that the organization can support all aspects of the sport. The professional staff members, who work at the PSO's office (located at the Percy Page Centre - an office complex in Edmonton housing over 60 PSO headquarters), are responsible for fulfilling the objectives to the best of their ability.

To complete the PSO's day-to-day tasks associated with the objectives, the organization has a professional staff consisting of a Program Director and a Provincial Team Coach. The Program Director, who really functions as an Executive Director, has been with the organization for nearly three years and has a Physical Education degree (specializing in Sport Administration) from the University of Alberta. The Provincial Team Coach, who holds a Masters degree in Economics, has seventeen years of racing and coaching experience with the Canadian National Team and club teams in Quebec and Europe. Along with these two full-time employees, there is a third staff member who is hired for the summer months only. The Program Director employs an Administrative Assistant (a position occupied by a university student) on a contract basis during the months of May to August. Although the day-to-day decisions are made by the staff, major decisions are made by the Program Director and the volunteer board.

The PSO's board structure is comprised of a total of fifteen positions including a President, five Vice Presidents, eight Zone Representatives, and a Chief Commissaire (head of officials). Since it is a multi-discipline sport, the five Vice President positions are responsible for chairing a technical committee for their particular discipline (three competitive, one recreational,

and one addressing the needs of women in the sport). The Zone Representatives (representing the same zones that are defined by the Alberta Sport Council) are responsible for collecting and conveying their constituents' ideas and concerns to the board. Even though the total board consists of fifteen positions, two of the zone positions were vacant at the time of the interviews, leaving the Board's total population at thirteen. Of those thirteen members, 77% (ten) are male. The only female board members are a Zone Representative and a Vice President who specifically looks after the needs of women within the sport. Although her Vice President position is usually not found in other sports, it is a common position within the national and provincial structure of this sport.

The PSO's volunteer and professional leaders have produced a diverse programming schedule that allows their members to participate in any of the following four technical disciplines. As a Summer Olympic sport, there are two traditional events: road and track (hereafter known as the two traditional disciplines). A third discipline (hereafter known as the off-road discipline) has recently been added to the 1996 Summer Olympic Games in Atlanta. The PSO's fourth discipline is recreationally oriented for those who participate in it as a leisurely activity. The office staff distributes their time according to the size and needs of the membership within each of the four disciplines.

With the addition of the off-road membership fees, the total revenue generated from the membership is now divided among the three competitive disciplines for their programming needs rather than between the traditional two disciplines. With the funds divided among the competitive disciplines of the sport, the PSO offers many more competitive programs (e.g.,

developmental clinics for coaches and officials, racing events) in comparison to recreational programs (e.g., entry level clinics). Meanwhile, the recreational discipline has the smallest membership base leaving the discipline with a minimal share of the programming funds. The Program Director stated that the discipline's limited number of members makes it difficult for the Recreational Committee to produce policy and programs on the basis of such minimal fee generation.

> It is still out of the goodness of our hearts that we spend time on their issues because they don't bring a lot of membership. They don't have any grants (though they do federally). There are Fitness Canada grants and there are those Canadian Sport Council grants that kind of govern each area. They get a lot of money at the national level. A lot more than one would expect.

Although the staff members try to assist the Recreational Committee, a majority of the PSO's programming is geared towards the members in the other three disciplines.

To participate in any of the programs across disciplines, a person must become a member of the PSO by contacting the office directly or by registering with a local club. According to the Program Director, a majority of the members join the PSO through their club affiliation. The number of clubs in Alberta has been fairly consistent over the years (approximately 53). The Program Director stated that it is difficult to break down the demographics of each club because they offer a variety of discipline combinations. Of the 53 clubs, there are 24 in Calgary, 15 in Edmonton, 2 in Lethbridge, 2 in High

River, and 2 in Red Deer. The remaining 8 clubs are spread throughout the province.

Although the PSO does not require their members to be club members, new competitive athletes are evaluated by a club official to verify if, in fact, they have the necessary racing skills to participate safely in a race. According to one staff member,

> There have been [people] who say, "No, I can go on my own". The only problem is once you put them in a field of 10, 20, 30, 40, or 50, they may not be as safe as they think because they don't have experience [participating] in a group. That is one thing we look at all the time, is that, a club would say that they are OK. But I would say that 95% of the people in our organization belong to a club.

Along with having their skill level evaluated, the PSO office staff also encourage people who are new to the sport to race with others (e.g., with a club) before they acquire a competitive racing license. Since the PSO does not have a refund policy, management felt that it would be in everyone's best interest if first-time participants experienced a racing environment before joining the PSO. This policy gives potential members a chance to decide if they want to obtain a competitive license or remain a recreational participant. Since the organization is concerned about its ability to serve and expand its membership (an issue to be discussed later in the case), the leaders hope that by providing potentially new members an opportunity to learn about racing with local clubs, the PSO will benefit in the long run.

Assuming that the new participants or clubs want to join the PSO, they have to purchase a membership. The membership fee structure is based on

the discipline and the age of the athlete. For example, there is a low 'basic' membership fee for coaches, officials, and other advocates of the sport. Local clubs can also save their members money because clubs can register their members with the PSO at a lower fee. All of the available types of memberships, along with their affiliation fees, are listed below.

Table 2: Membership Categories and Fee Structure for PSO B

Membership	Fee	Requirements
Basic	$30	For coaches, managers, commissaire, mechanics
	$10	Insurance fee for unaffiliated, licensed & unlicensed members
	$30	License fee for unaffiliated, licensed members only
Off Road Discipline	$15	Beginners (born before 1977)
	$40	Veteran (born before 1951)
	$40	Senior (1961-1976)
	$25	Junior (1977-1980)
	$25	Cadet (1981-1985)
Traditional Discipline	$55	Veteran (born before 1961)
	$55	Senior (1961-1976)
	$25	Junior (1977-1979)
	$18	Cadet (1980-1981)
Clubs	$70	Unsponsored clubs (plus $10 per member)
	$140	Sponsored clubs (plus $10 per member)

In addition to these fees, if a person wishes to purchase a license for the off-road and traditional disciplines, their total membership fee is discounted. This policy was implemented to encourage racers to compete in the other disciplines thereby increasing the number of participants per race. However, since the policy was implemented there has been only a slight improvement in the number of dual memberships. The 1993 membership base consisted of 740 members and of those, 570 also had racing licenses issued. Of those 570 racing licenses, 54 were dual licenses which drops the total number of racers to 516. Many of the PSO leaders felt that this flexible fee structure would attract more members to the organization in the long run, however, the short

term results were not promising. This is discussed in detail further on in the case.

When comparing the PSO's membership tracking system to other PSOs, the Program Director claimed that their system is relatively new. Although the sport has been around since the 1900's, the earliest records of competitive and/or recreational members date back only as far as 1980. However, as the Program Director noted, complete records have only been kept in the last few years.

> Things really got going when there was an office established and that was at the old Percy Page Centre in St. Albert, and that was about 1986-87 (in that time frame). They had an Executive Director start them. Actually, they started with a Program Technical Director, and she was around for about a year before [my predecessor]. [The predecessor] was kind of the big force as far as progressing.... Before that [the records were] really very simple and everything was done by hand at that point, and there was no [membership] database. I think the database came in about 1988.

The computerized database system contains membership information such as background data (e.g., address and birthday) and what type of license was purchased. Other than for statistical data, the database serves to verify (before the competition begins) that everyone has a license to race, coach, or officiate.

Along with participating in programs such as racing events, the PSO's membership fee provides the following benefits to its members: a newsletter,

insurance, and a handbook. However, the 'basic' members are excluded from the competitive programs. As a staff member explains,

> [Basic members] are treated as a licensed member with one exception: they can not participate in the competitive events. The members in this category are, however, entitled to any technical information from the office, such as technical manuals. They are also allowed to vote at the Annual General Meeting. This means that the basic members have access to more information and expertise than an average person who might not know about what is going on in the sport.

Everyone receives a newsletter which is published six times a year and contains articles and results relating to the sport across Alberta and Canada. Along with the newsletter, members are automatically included under a comprehensive insurance policy (e.g., accident and liability) for those who are in 'good standing' with the association (e.g., fully paid membership). The insurance also covers traveling to and from events, and the events themselves that are sponsored by the association or an affiliated club. The basic features of the insurance policy (accident and liability) are listed in the membership handbook.

Every year the PSO publishes a handbook in cooperation with event organizers, the Board, local clubs, the Committees (such as the Women's Committee), and the Zone Representatives. The handbook contains pertinent information for all of the members such as a listing of the staff and the Board of Directors, club information including a listing of all clubs by zones, information about the insurance policy, office staff's job descriptions, technical information, a glossary of racing terms, and a racing calendar. From the

PSO's point of view, the handbook serves as a communication tool to advertise the PSO's programs to their members. The handbook also serves as a source of sponsorship dollars for the PSO as local businesses (such as equipment shops and manufacturers) purchase advertisement space within the publication.

Although recreational members receive many of these benefits (including the PSO's advocacy work), there are only a limited number of programs designed specifically for the members in this discipline. According to one board member, there are mixed feelings about the PSO's role within the recreational side of the sport.

> Certainly there are a tremendous amount of people who [participate in the sport] and are not involved in the association and never will be. We claim that we are representing them to some extent by advocacy and rules. But I'm not sure that it is ever going to be recognized by [them] or even those in the retail side of it. It has been suggested that we are taking on or attempting to take on much more than we should be. It has been a suggestion, but only at the discussion point at the national level, that [the] Recreational and Transportation [discipline] should fund their own things. Let the [PSOs] concentrate on what some people think is their mandate (which is racing). That's it and drop the rest. There is a fairly strong lobby within the national level for the Recreational and Transportation [discipline] so it stays. I'm just not sure at the provincial level [if it should stay].

Of the PSO leaders interviewed, half of them preferred to focus on racing and the other half on the recreational side. Nevertheless, the recreational discipline continues to be a small portion of the PSO's operations.

Although the recreational and competitive affiliation fees are similar, the equipment costs differ significantly. Without the proper equipment, a person can not participate in this sport. Even at the recreational level participants can pay between $200 and $1000 for the proper equipment and accessories. However, for the competitive athletes, the basic components range from $2,000 to $5,000 each, and then it can range from $1,500 to 3,000 if purchasing the latest aerodynamically sound parts. Besides the equipment, the athletes have other related expenditures such as specialized clothing, club fees, competition fee, and travel expenses.

Many of the PSO leaders agreed that the expensive nature of the sport is one of the reasons why the organization has witnessed a declining membership. The PSO leaders also listed other reasons for this decline including a limited volunteer workforce, limited operating funds, the difficulty in acquiring the skills necessary to race, and the public's lack of knowledge about the PSO and the sport in general (e.g., safety concerns for children in the traditional disciplines). In order for the organization to survive and succeed in the future, many of the PSO's leaders have to focus their attention on three major areas: increasing the membership base, recruiting volunteers, and finding other sources of funding. The leaders have tried various strategies to address these areas of concern, and thus far have had little success. The reminder of this case will highlight the strategic initiatives that PSO leaders have employed to increase their membership and other strategic issues such as volunteers and funding.

Over the last couple of years the membership in the traditional disciplines has been decreasing by 10-20% every year. Membership records also indicate that different disciplines attract different age groups. For example, the demographics of the 1993 membership consisted of 75% adult membership (between the ages of 18 and 34), with the majority in the traditional disciplines. The membership base over the age of 35 has also been decreasing. The remaining 25% of the membership were teenagers who were predominantly in the off-road discipline (a strong junior category between ages 15 to 18 years old). The PSO decision makers felt that the difference in the participation rates between the traditional and off-road disciplines was largely due to the appeal of the off-road discipline to the younger generations. Therefore, the leaders generally agreed that the membership has witnessed an increase in the off-road discipline, a decrease in the traditional disciplines, and a consistently low number of female members.

When asked how they plan to increase their membership in all disciplines (especially the traditional disciplines), one of the leaders suggested that all of the PSOs have their,

> own little strategies on how to get membership, but we do not actively seek membership. I have no idea why! It didn't occur to me until probably last year. We never actively seek it. We depend on the clubs to do that selling job for themselves. We depend on people seeing us but we pick remote roads because it is better to have no vehicles and it is easier and safer. Yet all of a sudden, you have taken away all of your viewing public because you have gone as far away as you can. It is not in the

> gymnasium and it is not in the swimming pool. It is not the same as another sport where you just go indoors and watch it.

Although many of the leaders expressed their frustration with the declining membership base in the traditional discipline, only one of the interviewees mentioned a membership drive or campaign as a possible solution to reverse declining participation rates. Although a campaign has not been initiated, PSO leaders are trying to create new ways to attract more members, especially more female members into the organization.

The sport is historically known to be dominated by males, and the 1993 membership demographics support this trend as the number of females within the sport has remained consistently low (e.g., twenty female athletes in the elite programs). Many of the leaders stated that they hoped that the number of females would increase as the sport became more popular as a result of the recent success of the Women's National Team at international competitions. To compliment both of these factors the PSO's Women's Committee has been proactive in trying to promote all levels of the sport to interested females. Although the volunteer nature of this committee will be described later in the case, a majority of the initial work was spearheaded by the Chairperson of the Women's Committee (who is also the Vice President of women's involvement in the sport) and the Program Director. According to the Chairperson one of the reasons why they were successful in starting new programs (e.g., camps to introduce female participants to the sport) was the board's supportive position about addressing issues of equality.

> Within my position, [the] number one [issue] with me was to increase the number of women that were involved because I felt that the atmosphere with the current board was [one of

> equality].... They were proactive in setting up ways to make it easier for women to become involved. They always made sure ... that there would be a women's event as well. Which could be a problem because of the low numbers. So they have been very supportive in that regard. There was a harassment policy ... which we just passed. We just copied that from another sporting association and kind of changed a few words here and there. So that atmosphere was already there. It was good to work with all of the board members and they were very supportive. Therefore, I felt that my role was to increase the numbers to help support their initiatives as well so that we could say "hey, we got this number and the opportunities are there. We got a category system to make it easier for those that are new to the sport to come in".

Even though some of these programs have experienced a low participation rate in the beginning, the PSO leaders are hoping that the number of female participants will increase as they continue to offer females more programs.

One of the new programs with surprising success has been a weekend camp where females are introduced to the sport. With thousands of women involved in the sport recreationally, the committee was trying to break the perception that the sport's competitive side was 'hard, gritty, and not feminine'. The Women's Committee set out to develop an environment where women of all ages felt comfortable to ask questions like "I don't know anything about my [equipment]? What do I do if I have a flat tire?". The point of the camp was to learn about the sport in a relaxing and non-threatening environment for recreational and competitive athletes in the traditional and off-

road disciplines. The Committee hired knowledgeable female and male instructors such as National Team coaches and athletes to provide the participants with a broad range of experiences during the camp. With the participants using their own equipment, they participated in practical and classroom sessions such as skill improvement, equipment maintenance, nutrition, self-esteem, and sport medicine.

All the participants at the first camp in Calgary enjoyed the program. The following year the Committee had advertised the camps through 'word-of mouth' and distributed pamphlets and posters to equipment stores, community centers, and to other PSOs. Although the 1993 participation figures were minimal, the camp in 1994 drew 32 participants including several from outside of the province. The 1993 figures were disappointing, and when asked why the registration rate was low, the Chairperson of the Women's Committee answered as such,

> I haven't quite put my figure on that. I think one of the reasons was an overall apathy, and it wasn't just [sport] related. The weather was bad throughout the summer, the economy was also bad. I mean it can be a very expensive sport. It doesn't have to be, and that was [difficult] to dispel that notion because the [specialty equipment] store and the media, and the pressure to have the best equipment.

Regardless of the initial number of participants, the camp's goal - to educate the participants in such a way that the instructors were friendly and encouraging - was achieved.

Although the initial camp helped to increase the number of females participating in the sport and broaden their knowledge of the sport, the camp

was also a financial success. Since the Women's Committee has a small operating budget, the camp had to be self-funded. As the VP noted,

> I pretty much operate on a break-even basis. I have a very small budget that I do work with. We do get some funding through Sport Canada. There are grants available to help out people that come. I mean those that come to the camp, stay overnight and apply for a grant. The mandate for that grant has been broadened because before, it was geared for young athletes. Women don't start [in the sport] until later. So we have worked very hard to broaden that mandate - now it is for any of the ladies that come. It doesn't matter how old they are, they can apply for the grant that is available. They basically get, depending on the number that apply, the last few years I would say that they have had 80% of their fees back.

She also mentioned that the self-funding aspect of this program has helped the Committee to offer similar camps in other parts of the province. When she was asked about the growth of the camp, she explained that the initial camp was an experiment and its early success has led to other improvements over the years to create a better product for the participants. While this PSO's leader continues to create and/or improve programs (e.g., the camps) that increase the participation rates of women within their sport, other leaders are also trying to increase the number of young members in the traditional disciplines.

According to many of the board and staff members, it is difficult to draw young members to the traditional disciplines because the off-road discipline is new, exciting, and less expensive. The new discipline also offers more

freedom from rules compared to the very structured and tightly governed traditional disciplines. Many of the PSO leaders felt that the lack of new competitors in the traditional disciplines will reduce the future adult membership rates as the current adult members retire from the sport. In other words, the number of younger athletes in the traditional disciplines will not be enough to replace the current number of adult members. In addition, the traditional disciplines face other problems that the off-road discipline does not have to deal with such as training difficulties before school summer holidays, transportation to training sites, and unreliable weather. While the sport's competitive side faces recruitment problems, the PSO's recreational side is also facing problems in attracting the younger members.

To promote the recreational side of the sport, the PSO leaders are faced with a lack of qualified instructors for programs like the Sport Outreach Program; a program sponsored by the Council to promote the sport to regions within the province that may not have access to technical expertise. Although the organization offers a NCCP Level One Technical course once a year to train potential instructors and coaches, course enrollment remains low (an average of six candidates per year). The enrollment has remained low even though the course has been advertised throughout the province (e.g., posters in equipment or specialty stores, announcements in its newsletter and in the Alberta Sport Council newsletter). The Program Director indicated that the low enrollment rate could be caused by a variety of circumstances, including a lack of interest in the sport, active athletes not having time to coach, a lack of courses in the sport offered at universities, and people generally perceiving the sport as a recreational activity only.

In addition to the difficulties in finding qualified course instructors, there are other areas of concerns when trying to offer a program such as the Sport Outreach program to children. One is finding a school that has teachers who are interested in the sport and the PSO's program. Another is being able to supply students with the proper equipment. A third concern involves the difficulty of supervising a large class of students on public streets. As noted by a staff person,

> Asking 30 kids to come to school and being supervised by a teacher on open trails is pretty unreasonable to [ask for or] do. Especially someone who is not experienced in leading groups. What are you really teaching them is how to ride; you are not teaching them how to race. Whereas in a club situation, you can be one-on-one with a coach or other club members, and you can race with someone your own age. Unfortunately, there is a big gap between those two things. The club format works very well and the school format, we can't decide what we want to do.

The efforts of a local Edmonton committee has offered a possible solution to these problems. The committee is working with a local hospital and the city police to develop a one-day session for school teachers where they learn the fundamental skills of the sport. Eventually the PSO leaders would like to see the program available for all Edmonton schools, and then to other parts of the province. As of yet, the PSO leaders do not have a program where they can introduce school children to the sport. Along with trying to attract all types of members to the PSO with the initiatives mentioned thus far, many of the

leaders stated that many of these programs remain as 'ideas' because they lack two critical resources - volunteers and funding.

For a small organization such as this one, there is a need for volunteers to help with projects such as race management and the Sport Outreach Program. According to the Program Director, another project that volunteers could begin is to develop technical manuals for the clubs.

> The process is a long time away for us, if that is the way we can go and the people are still interested between now and the date we can institute it. Volunteers are like that; some stay for a long time and some are gone after a couple of years. ... I think our basic problem is that we don't have enough volunteers to implement the kinds of programs that really are necessary.

The leaders also find it difficult to attract volunteers into their committees. The following statement from the Chairperson of the Women's Committee indicates that the other committees within the PSO need a stronger volunteer base to offer their programs.

> I initially started out having a committee and asking a couple of other ladies to work with me. One in Calgary and another one in Edmonton. We sort of sat down and had a strategic planning session, and the enthusiasm was there at the start. I think it just takes a driving force to keep it going. I haven't found a whole lot of people willing to step in and give me a hand in that respect. It is kind of an apathy so basically I have been doing most of it on my own. The office is really good and supportive. Once I decide what I want to do, let's say put on a camp, then I just at that point go out seek the help and just ask

> person to person if you could do this for me. But I basically had to be the guiding force behind it all, and then draw on people as need be. It is there, but you have to dig for it.

Although the current group of volunteers provide valuable assistance to the PSO, the organization continues to try to recruit new volunteers through personal contact and 'word-of-mouth' with limited success.

Along with recruiting volunteers, the Program Director would like to see the PSO develop a volunteer recognition program.

> I am desperate to get a volunteer recognition program on the road. Volunteers that are working for the association, know that they are appreciated by, not only myself as a staff person, but by the other volunteers and all of the membership. They should go away from this association saying "wow, I really enjoyed my years with the [PSO]. I'm glad I did it." If they could honestly and truthfully say to a new person, "you should really volunteer because it is excellent. It is very rewarding." You certainly don't want them walking away from the association going "I couldn't handle it any more. Oh, my God, they drove me nuts. I was driven. I didn't enjoy it. They expected too much from me or expected too little of me. No communication." I want volunteers to be happy. I have seen enough unhappy volunteers who would never go back to the association because they had a bad experience. That is the last thing we want because the more volunteers we lose, the more work we can't get done.

She also claimed that while the leaders are trying to draw new volunteers into the organization, they also lack other resources that limit the development of

new programs. For example, the leaders face a declining base of operating funds.

As with many PSOs, this particular organization relies heavily on the Council for funding. Although approximately 51% of their funding comes from the Council, they would like reduce this dependency. The remaining 49% of their funds consist of membership fees and casino revenues, however, the leaders have stated that they have had a difficult time raising additional funds. With the PSO sector expecting the Council to reduce the amount of funding given to PSOs, the following comments from a staff person indicate the importance of their efforts to generate new revenue opportunities.

> We have had several fund raising efforts that have been less than successful. One was art cards and they were exciting for the times but to sell them all was impossible because people lost interest very quickly. We have looked at Entertainment Books, we have looked at all of the other little things. As an association, we found it hasn't been as successful as maybe it could be in a club level activity. But there aren't a lot of other fund raising activities for us (that we have found successful I should say). But we will try just about anything.

With a budget of roughly $150,000 the PSO leaders continue to search for stable ways to increase their operating funds. When asked to give another example of a fund raiser, many of the leaders mentioned an ill-fated trade show.

A couple of years ago a trade show, featuring the latest equipment manufactures and their products, was scheduled for the Edmonton area.

However, it was canceled a couple of weeks prior to its opening because of a lack of interest. As one board member noted,

> We were going to have a strictly [equipment] trade show and hoping to involve distributors, manufacturers, as well as service organizations, clubs, the city and the province. The city and the province came through pretty quickly. The Alberta Motor Association was ready to kick in some money for a booth. But the local shops don't have the kind of money that it takes to sponsor that. We thought the distributors of products would pay for the shops to staff the tables and displays of products. But it didn't happen. So that was a big blow.

Even though the PSO leaders have tried creative ways to raise funds such as the trade show, they have done so with limited success. They have also used a similar 'trial and error' strategy (with minimal success) to attract sponsors to the PSO.

One of the board members portrayed a gloomy picture for the sport as PSOs and the NSO continue to seek out sponsorship deals. He claimed that sponsorship within the sport has been declining and that,

> ... the 'Holy Grail' of sports is corporate sponsors. Corporate sponsorship in [the sport], despite all massive efforts in the last three years, has gone down. Even at the national level. Canadian Tire use to inject almost $2 million annually into the sport in the way of a competitive series coast to coast. But that has been gone now for a year, and nobody stepped forward to take its place. Even the national team sponsorship, which is strictly product, has fallen from $50,000 to under $20,000 this

> year. The numbers are pathetically small. Locally, we have made all kinds of efforts. Depending on how you define sponsorship, we have a total advertising revenue of $2,000 and that is nothing like what we really need (we need $50,000) to hire a coach and pay for the programs that are missing.

This board member also suggested that if this trend does not change and the PSO continues to have a difficult time drawing new sources of funding into the organization, the sport "within the province will face desperate times".

When asked about the financial stability of the PSO, one of the leaders mentioned that some of their prior financial difficulties resulted in the accumulation of a $30,000 debt in the mid to late 1980's. By practicing fiscal restraint, the debt was finally paid off in 1992. In that year they made their first profit (roughly $500), and in 1993 the PSO,

> earned a substantial profit (just over $25,000). That was due to some miscalculations in membership revenue. We had a surge of membership. Membership fees had just went up and club fees had taken a big jump (insurance fee). ... We put $15,000 away and we invested it.

The PSO has put the excess funds into a guaranteed investment certification (GIC) for the future. This future includes an expected announcement from the Council that the next funding period will result in an estimated 5-10% reduction to the PSO's budget. For example, budget reductions in the past have resulted in the resignation of their full-time Head Coach. During the course of this study the Provincial Coach accepted a coaching position in another country as the funding for his position was reduced to a part-time position. Although the coach was one of the best in the country and will be

hard to replace, many of the PSO leaders stated that they will have to try to train their young athletes without a full-time coach. As a board member claimed,

> We have a lot of coaches who want to project coach (go for different weeks across the summer), and that is what we will be looking at. It means generally spending less than a full time salary. So that might help us to resolve our problem. We can put more [money] to the project itself and less into the coaching side, yet still have the same benefits. And not have anybody disappointed. It is one of these problems with no easy solutions.

This coaching example illustrates the importance of the GIC because the future may bring additional funding cuts to the PSO's budget.

According to the Program Director, an important feature of the GIC is that it is relatively liquid. Many of the leaders felt that they may need 'easy access' to the funds in case an issue reaches a critical level (e.g., finding a coach to teach elite athletes). Although the GIC serves as a safety measure, many of the leaders have mixed feelings about the future. They are asking themselves questions such as "If we lose all of our funding at one time, how are we going to handle it? Can we still maintain an office?" To prepare for the future, they feel that it is important to find out the answers to such questions. As one of the leaders cautiously noted about their financial situations,

> Well, I guess we have next year taken care of [in terms of funds]. The year after that is up in the air because we don't know how big the cuts will be. We will have to keep cutting back. Eventually we will reach a point where we have to decide whether or not to close the office. That would be a big blow, but

> right now we have a full time staff and there is always someone there answering the phones and handling the book work. The book work is enormous. If we lose that, then we would be really hurting because you lose the association, you lose the image of the sport, and the base of activities. Grassroots [participation] for fun will never go away. It is still a great way for kids to get around the city. Adults who like that kind of exercise aren't going to quit just because the competitive side of the sport is in trouble.

Many of the leaders confirmed that the PSO would not be able of operate as a volunteer organization because of the amount of work involved. Although the organization has $15,000 in a GIC account, it may not be enough to tackle the membership, volunteer and funding issues.

When one of the leaders was asked to summarize the PSO, she responded in the following manner.

> I think we are highly under organized. I think that is where we have to find out where we have been and where we are going. We have to sit down and we have to do it as a group. We have to stop pretending that someone else is going to do it for us. They will eventually move on and someone else will take over, and fill that gap for us. I think that most associations are already doing it and a lot of them have this idea that they want to do it but they don't actually do it.

When asked how they can become more organized, she noted that she wanted to take all the file boxes in their storage area and sort through them.

She felt that the PSO can then use the information from the past as a tool to make future decisions. As she noted,

> I want to find statistics for people so that we can prove that our membership is growing or shrinking. We want to know where we are going with this. I want to know what project they have already done so we don't try them again and we can stop wasting our time in this vicious circle. I went downstairs and read minutes of meetings that we have discussed since I have been here again. And it is going around in a circle. New people on the board with old ideas. All of them, going around and around. I thought, you know, if we ever are going to figure out where we are going, we have to know where we have been and know what not to do and what to do. ... There are some pretty big goals in there for us and I just think that we have to organize ourselves so that we know what we are doing. I feel like that we are in this little circle, going round and round sometimes, when I think of the issues.

The above comment highlights some of the frustration and uncertainty about improving the direction of the PSO. It also seems to indicate that some of the leaders are starting to ask some of the initial questions of a strategic process, and yet there has been no mention of any such activity beginning.

To conclude this case, the PSO is led by a small group of professional and volunteer staff members who use a limited budget to operate the organization. Although the PSO's total budget is primarily comprised of funds from the Council, the organization also generates funds from membership fees and fund raising. Many of the leaders' strategic initiatives are based on a

'trial and error' approach; trying new ideas until one is successful (e.g., the membership and volunteer recruitment ideas). When one of them does become successful (e.g., a camp to introduce females to the sport), the leaders continue to make adjustments to the program in an attempt to improve its success rate.

CASE C:

The PSO in Case C represents a sport popular as an outdoor, recreational, summer-time activity for people of all ages. According to the PSO leaders, they are trying to improve their current operations by adding new programs in the hopes of attracting more recreational and competitive athletes. Many of the new programs that are offered are ones that have been created by other organizations. Before describing the strategic initiatives that have been employed by the PSO leaders, the reader is presented with an overview of the organization, and this is followed by an explanation of how the corresponding NSO was involved in the development of the PSO's strategic plan.

This PSO represents a sport where athletes compete against one another (or with a partner against another pair of opponents) in a tournament format. Although there is a large recreational sector within the sport, top athletes can also compete for prize money at professional tournaments around the world. According to the leaders, the sport's competitive side grew substantially in the 1980's, and with its recent addition to the Summer Olympics Games, they are looking forward to another decade of growth. In hopes of continuing the sport's popularity throughout the 1990's, the PSO leaders have developed new goals and objectives to achieve their new mission. The mission is "to promote, develop, and encourage excellence in the sport by providing systematic opportunities for participation in cooperation with its affiliates." The five new goals and objectives are:

Goal #1: To increase participation levels in all markets. The objective is to select and encourage the implementation of suitable entry level programs.

Goal #2: To provide a competitive structure for all interested players. The objective is to design and implement a provincial tournament schedule.

Goal #3: To produce players capable of achieving national team status. The objective is to ensure the proper implementation of "System '96" in cooperation with the NSO.

Goal #4: To ensure effective and ongoing communications among all stakeholders. The objective is to design and initiate an overall communications strategy.

Goal #5: To ensure that financial and human resources are in place to support the mission of the organization. The objective is to maximize existing resources, increase discretionary income, recruit new personnel who will contribute to the success of the organization.

Many of the leaders felt that their new strategic plan will help develop athletes (adults and youths), expand a competitive structure, improve their communication network, and maximize their resources (financial and personnel) to ensure that the PSO can achieve its mission.

Although the PSO's mission has recently been redefined, the organizational structure continues to resemble what Kikulis et al. (1989) called a nascent professional bureaucratic structure. Currently the organization, which was incorporated in 1974, is moderately dependent on the funds provided by the Council, has low levels of specialization, and has a centralized decision making structure. Like many of their colleagues in the PSO sector, the professional and volunteer staff members at this organization are responsible for ensuring that the PSO's goals and objectives are achieved through their day-to-day tasks at their headquarters located at the Percy Page Centre. Although the office staff consists of a full-time Executive Director and a part-time Administrative Assistant, the organization's board of directors recently posted an opening for a full-time Technical Director. The current all-

female staff runs an efficient office, yet by their own admissions, their technical knowledge of the sport is minimal. Therefore, the staff felt that a Technical Director would add a significant dimension to the PSO's operations. In terms of the volunteer staff, the PSO has a board of directors consisting of eight positions. These include a President, two Vice Presidents, a Secretary, a Treasurer, a Technical Chair (Tournaments), a Technical Chair (Junior Development), and a Past President. All the board positions are occupied by males except for one Vice President position. Unlike other PSOs, the two Vice President positions within this PSO are not associated with any technical or administrative responsibilities. Although this lack of responsibility within these positions has caused some concerns for the PSO (to be discussed later in the case), the organization has consistently been able to offer its membership a stable and diverse set of programs.

With an operating budget of roughly $300,000 the PSO leaders offer their members a host of programs to develop coaches, officials, and athletes. The programs include scheduling tournaments for all age groups throughout the province, sending athletes to national championships and multi-sport competitions (e.g., Canada Games), and introducing students to the sport through camps and clinics (e.g., Sport Outreach clinics). To participate in any of the programs or sanctioned tournaments, a person must join the PSO by paying a minimal membership fee. The annual membership fee is $10 and includes such benefits as a quarterly newsletter and insurance coverage at all the PSO events. Although the low membership fee was designed to increase the number of new members joining the organization, many of the leaders felt that the fee was too low. They also claimed that if they increase the affiliation

fee, they could use the additional revenue to offer new programs and services as well as to improve the existing ones.

Before describing the leaders' strategic initiatives to address issues such as finding new sources of revenue, the following details how the NSO was involved in the development of the PSO's new mission, goals and objectives. Whereas the strategic initiatives of the PSO in Case B were created by the leaders within the organization, the PSO leaders in Case C were helped by an executive (the Director of Planning) from their governing NSO to create the aforementioned goals. Their strategic plan was based on the guidelines that were set out in a NSO document called "Towards 2000"; a document that serves as the NSO's quadrennial plan. The NSO executive was involved in the strategy formulation process to ensure that the PSO's plans were compatible with their plan because they felt that the national plan could not be successful without the support of the PSOs. As a result, the Director of Planning spent two years visiting each PSO in the nation and assisted leaders with their planning process. Many of the PSO leaders within Alberta stated that they were enthused and excited about the strategic planning process, and the future direction of the sport within their province and in Canada.

The process started at the end of 1992 when the Director of Planning came to Edmonton and conducted his first planning session with the PSO leaders. Between the NSO representative's first visit in 1992 and the one early in 1994, many of the PSO leaders stated that they struggled to develop clear views as to where they wanted to go. According to the Executive Director,

> When he first came out, we looked at our mission statement ... we tried to break it down to goals and objectives that we wanted to accomplish. And then, when he came out earlier this year, we sat down and finalized where we wanted to go, and just recently in one of our Board meetings, we actually went through the whole process again. We went through that document by goal and by objective, and discussed the numbers we wanted to achieve and changed them.

After re-evaluating and formulating a new mission, the PSO leaders circulated a draft of the end product to local clubs, other provincial associations across the country, and the NSO. The leaders were hoping to receive suggestions and comments before completing the final draft, and at the time of the interviews, the responses were beginning to arrive at the office. According to the leaders, the feedback is important because all of the sport's enthusiasts at all levels (locally, provincially, and nationally) have to commit and work towards similar goals to improve the sport.

While the PSO leaders worked through their strategic process, they tried to develop goals to address the issues that are or will be facing the sport and the organization. For example, the aforementioned goals #1 and #2 address the sport's participation concerns. As noted by a board member,

> one of the biggest problems which, [the sport] as a whole is facing [is] growth. The 70's was some of the highest times of growth for [the sport] when we had people like [names of former international stars in the sport] playing and when [the sport] in North America was booming. What has happened is that there has been a decline in the number of people [participating in the

> sport]. But by the same token, what has happened is those same people who were of the boom in the 70's are now 40-45 years old. So ... although there is still a large number of juniors participating at the highest level, we also have a very high group of over 35's to over 65's who are participating very actively. What has happened is that it is the in-between [group] that we have lost.

He continued to state that the focus of the PSO is the growth of the game, and what is needed is for the leaders to understand the marketing procedures that are required to maintain the age group between 20 and 35. He claimed that,

> What has happened obviously, as demographics have changed, those that are 35 now are going to be 45 in 10 years, but do we have enough to replace them? So there is a gradual collapse in the number of people participating in the sport. I think that is a major challenge for [the PSO] and for [the sport] in general. The personalities who have made [the sport] in the 70's are no longer with us. There is a very good article in 'Sports Illustrated' at the beginning of the year which deals exactly with this. Although it is some what biased to the point that it is saying [that the sport] is dying, I don't believe that. I believe that [it] is just in a sort of lethargic stage. One which needs new innovative ideas and creating ideas to bring it back.

The leaders have incorporated new programming ideas in an attempt to attract more people into the sport and eventually into the organization. The

following three programs are examples of ideas that were borrowed from the NSO and from other PSOs to tackle their membership concerns.

To increase their participation rates, the PSO added the NSO's 'Crunchie Kids Award Program' to their list of offerings. This program was created such that instead of just teaching children the basic skills, the program introduces children to other issues within the sport, such as coaching, rules, officiating, and nutrition. The program involves children participating in six different levels, and after completing each one, they earn a stamp for their program 'passport' and an award. Although the program was developed by the NSO, the leaders of the PSO adopted the program with the hopes of increasing the number of children throughout the province who participate in the sport.

The second example of the PSO leaders borrowing ideas from the NSO deals with technical manuals. The manuals contain ideas and strategies that local club leaders could use to attract new people into their organization. Many of the programs are geared towards seasonal clubs, schools, and recreation departments that have qualified instructors to deliver the programs. Another example of adapting a program from another organization is one that could improve the recreational participation rates within Alberta's rural communities. The board is looking into a parent-child program that was developed in Nova Scotia where a parent and a child participate in ten lessons over a span of ten weeks. After each lesson the parent and the child practice on their own, and then return to demonstrate their skills. Since this sport is a 'life time' activity and can involve the entire family, the board is considering adopting this program as a way to draw parents and their children into the organization.

These examples show that the PSO leaders tend to borrow ideas from other organizations to attract new people into the sport and eventually into their organization. According to one staff member, she enjoys attending

> [NSO] meetings - the AGM and the semi annual meetings - to meet with my counter-parts across the other provinces to see what they are doing - to find out what programs are working for them. That is where I find that what [programs] could work for us in our province and try to implement them here. We do a lot of sharing of information back and forth.

With limited resources (e.g., financial and staff time), the PSO relies primarily on trading ideas with the NSO and other PSOs to improve the types of programs offered to its members.

However some leaders within this PSO believe that the organization should develop more programs on their own. For example, according to a senior board member, one of the biggest concerns in the PSO and the sport in general is "the lack of growth and development of the sport". When asked to expand upon his comment, he claimed that along with a declining membership base, many of the people within the sport have failed to develop the tremendous business opportunities available in the sport. To support his claim, he provided the following evidence.

> Calgary has the highest number of indoor facilities per capita anywhere in Canada, and yet the business of [the sport] and making it pay, just isn't approached in a business type manner at all. We can't get people to commit to a system and I'm talking now about things that are freely offered by [the NSO]

> in terms of coaching accreditation. The level of cooperation is extremely low.

Many of the elite coaches have not cooperated with the PSO in becoming fully certified with the National Coaching Certification Program (NCCP). According to many of the staff and board members, for many years the NSO and PSOs were focusing heavily on the development of elite coaches and athletes. Recent meetings at the national and provincial levels have resulted in the expansion of their operations to recreational and entry levels. In other words, many of the leaders felt that they needed to develop a larger grassroots base to maintain the sport's elite base and the sport's profile in the community. Therefore, the PSO leaders decided to offer more programs for those members who wish to simply participate in the sport. The goal was to increase their effort to meet the needs of the recreational and grassroots athlete, with the hope that some of those people will want to become elite coaches and/or athletes.

At the same time, many of the PSO leaders did not want to become "all things to all people". They wanted to offer more programs to children and the recreational players while continuing to develop high performance athletes. Many of the leaders stated that the important point to remember was that recreational and competitive members have different priorities, and that they have to look after the needs of both groups. In other words,

> we still have our high performance programs to deal with, and those are not going to go away, but what we are saying is that we are not putting any more money into them. We are going to be refocusing our time and energies at the lower end of the

> grassroots. [We] are just fine-tuning with the high performance programs.

The leaders are currently attempting to balance the needs of the recreational and elite athletes. One of the ways that they develop competitive athletes is through the coordination of sanctioned tournaments. Although the tournaments are competitive, a staff member claimed that it is not exclusively 'high performance' or 'elitism'. For example, many of the local athletes who compete have no intentions of becoming a national team member (they simply want to compete with others in the province). The PSO staff provides a competition schedule of sanctioned tournaments for three membership categories and three performance levels: 'junior', 'adult', and 'senior' ranked as 'A', 'B', and 'C', with A players being the best.

Local club leaders who host sanctioned tournaments submit their tournament schedule to the office staff who, in turn, produce the year's schedule of tournaments throughout the province for all three age and ranking categories. Over the last two years the staff members have been encouraging local clubs to hold more tournaments at all age levels. In the past B and C ranked players had to compete in tournaments for A ranked players. Since the tournaments are based on age and skill level, the B and C players wanted their own tournaments. The clubs have responded to the PSO's request for more B and C level tournaments in such a positive manner that the PSO has scheduled up to three or four tournaments throughout the province on the same weekend. The PSO leaders stated that they are encouraged that the clubs are offering more B and C level events, however, the increase in the number of tournaments has made the competitive scheduling process even more complicated.

For example, a majority of the junior tournaments are in May and June while the adult tournaments are held from June to August. Recently the season has been lengthened to September and October because clubs are scheduling more outdoor tournaments despite the weather. Although November and December were known as 'down time' for tournaments, indoor clubs have started to offer more tournaments during this time. After a break in January, the junior and adult tournaments start up again in February and March, followed by Junior Nationals in April. The PSO leaders are hoping to improve this complicated tournament schedule by improving their communication with the club leaders.

The PSO leaders claimed that the most effective way to communicate to people is by simply talking to them. For example, to improve the organization's programs, PSO leaders have been encouraging members to make suggestions (such as the recommendation from the B and C carded players to increase the number of tournaments for their skill level). Whether it is via telephone, at club board meetings or tournaments, the staff and/or board members are communicating about their programs.

> [We are] always talking to parents of juniors because there are so many rumors out there about programs.... We try to set the record straight because (it is improved but) we still have a bad image out there [focusing on elitism], that we don't do anything other than just send kids to nationals. That is not true anymore. So we try to get that message out as much as possible.

The staff also uses their newsletter and mail-outs to notify members of up-coming events. Both communications sources contain information about the

association, clubs, officials, and coaches. The staff also encourages the club leaders to send information to the office regarding club events. One of the staff members stated that any additional information could easily be added to their newsletter or the mail-outs, therefore making it an easy way for local clubs to inform members of upcoming events. One drawback in this communication process is the need for resources such as money, staff, and time to complete the production and distribution of the newsletter and the mail-outs.

Since the resources are limited, the staff and board members are attempting to maximize their resources to operate the programs as efficiently as possible. In terms of funding, the Alberta Sport Council provides 30% of the PSO's operating budget and the remaining 70% is generated through fund raising, sponsorship, membership fees, program revenues, and NSO grants. Although the PSO leaders believe that the organization is financially sound, they also feel that they need to focus on generating additional funds to prepare for future funding reductions from the Council. For example, one of the ways they have tried to solve their staffing concerns was applying for government employment programs such as Student Temporary Employment Program (STEP).

> We have ... reapplied for STEP grants and [other] grants in the past, but we have also found that what they were doing for us wasn't paying off. Therefore, we haven't hired anyone. There are a couple programs even to hire on a 6 month term (through Employment and Immigration). So we have tried the different programs that are out there: practicum students, grants, subsidies, hire-a-student programs. But it is hard

because they are here for a short time. Unless they have a very specific task to carry out, it doesn't work for us.

Staffing is not the only reason for trying to increase their funds. Many of the PSO leaders believe that they have to set funds aside to improve the quality and number of programs available for their members, and for the possibility of more funding reductions in the future. Although the leaders agree that the organization has to generate more financial resources, they also believe that it is easier to improve their programs by increasing the number of people in their volunteer support group.

For example, in an attempt to increase the sport's exposure in the media, the board appointed two volunteers (one in Edmonton and one in Calgary) responsible for producing and distributing media releases throughout the province as a means of informing the general public about the sport. However, the two members are falling short of fulfilling their duties. Though media coverage of the sport's local events do not reach the levels of sports such as hockey, football, and baseball, the sport does receive coverage for professional or international events. This is especially true when Canadian athletes perform well at the larger tournaments. Although there are some very active and hard working volunteer board members, one of the areas they want to improve is the role of the board in promoting provincial level competitions and athletes through media releases.

Properly defining and clarifying responsibilities has not been a top priority for the members of the board because, as described earlier, so much of their time has been devoted to the elite program and the strategic planning process. Many of the changes that were made, such as board job

descriptions, have been small piecemealed adjustments. One top official suggested that,

> ... we have board members who all they do is come to board meetings and it is not their fault. It is the way that we are setup that we don't have things for them to do. At the same time, we try to get our zone people involved ... and some of them [do] it and some [do not]. So that just tells me that these guys just like to come to board meetings and not do anything in between. So we want to weed those people out because they are not effective. We don't need them. We don't want them. They cost us money. So we want to make the board a more active working board between board meetings.

For example, many of the leaders want to establish clear lines of authority and responsibilities for the two Vice President positions. As mentioned earlier, these positions do not have any direct responsibilities for the PSO's operations. As one board member described,

> Vice President is probably the easiest [positions to have]. You are a part of the executive so you are in on the decisions that are made but your responsibilities, haven't been in the past, very well defined. I think one of the real weakness in our organization is that we have Vice Presidents that sit in that position and, because it is not very well defined, what they have to do is not very much. But they like the title because it sounds pretty good to be Vice President yet they don't have the responsibilities that the President has.

> Although we do have our new strategic planning model (the Vice Presidents are not specifically mentioned), we also have a committee working on our bylaws. [They are] updating the bylaws that have been piecemealed together over the years. We change things but the whole thing doesn't really work. When they do the bylaws, they will also define the job descriptions of each of the people on the Executive. So that [Vice Presidents' role] will be changed. I think it is time right now. It's timely because there is a new President and we can work together on this.

By the time the interviews were completed, the changes to the bylaws and the board had not yet been finalized.

A senior board member presented another issue regarding staff authority and volunteer recruitment. He claimed that,

> Filling up the board with volunteers is a difficult task. Keeping our board full of interested people and keeping them interested is a big job. We have people coming and going, and we talk about things like "well, should the board have a business orientation or a [sport] orientation?" I think the straight answer to that is "hey, if they are prepared to volunteer, then we will find a way to utilize them."
>
> Now organizing that force of volunteerism is a problem. I certainly feel that it requires a strong direction as a President and the Executive Director. The Executive Director is an awkward [position] because she or he essentially reports to the President, and yet at the same time possibly has an agenda or a

> perception of things that are significantly different than the President's. It has to be remembered that the President comes and goes, and is a volunteer as well. I have thought about giving the Executive Director a stronger role in the board than an advisor to the President.

He also stated that a similar authority issue has surfaced at the NSO level. The NSO's board changed the Executive Director title to President and Chief Operating Officer of the association. The board recognized that what they needed was an employed 'mover and shaker' as opposed to a volunteer, who was trying to accomplish the same thing but on a part time basis. The senior board member also admitted that this may be a difficult option to implement at the PSO level because of a limited budget. Nevertheless, he stated that this issue needs to be addressed soon so that the board can continue to accomplish their task; promoting and developing the sport in the province.

To conclude, although the PSO leaders felt that the organization was financially stable and has been fairly effective in its current operations, they also felt that the organization needs further development. They have taken steps to solve some of the concerns mentioned in this case, such as developing a stronger membership base, increasing funding sources for the future, and formalizing board responsibilities. Many of the steps to solve these issues were initiatives that the PSO leaders have borrowed from other organizations.

CASE D:

In the previous case the PSO leaders developed a strategic plan with the help of a NSO representative. In Case D, interest in developing a strategic plan directly resulted from having recruited a board member with prior experiences in the strategic planning process. Since the organization represents a sport that continues to grow at all levels (competitive and recreational), the PSO leaders felt that they could support their sport's popularity by planning and developing new programs for their members. Before describing how the new board member has helped the PSO's leaders to develop a new strategic plan, the reader is presented with an overview of the organization.

The PSO was established in 1957 to help promote a team sport that is primarily played indoors. Although the indoor version of the sport has been associated with the Summer Olympic Games since 1964, an outdoor version of the sport has been added to the 1996 Olympic Games in Atlanta because of its worldwide popularity. The reason both versions of the game continue to grow is its appeal to people of all ages and skill levels. Many of the leaders predicted that the sport will continue to grow because students at the elementary, junior and senior high school levels are introduced to the sport during their physical education classes. In other words, the leaders believe that the sport will continue to grow as students who participate on school teams, improve their skill level, and have opportunities to play for provincial and post secondary teams and ultimately the national team. Currently there are also a number of elite Canadian athletes who play for professional indoor teams in Europe and at international outdoor tournaments. For the participants who do not reach the higher levels of the game, they can play in

recreational leagues with others who enjoy the sport. For example, the PSO's Executive Director estimated that there are roughly 300,000 people participating in the sport throughout the province.

Although the Executive Director admitted that not all of these people are members of the PSO, he added that they are working to increase their membership. A majority of their work is completed in their Edmonton offices, however during the course of the interviews, many of the leaders mentioned that they are discussing the possibility of having a second office in Calgary. They felt that another office would make their services more accessible to their members in southern Alberta, and allow the staff to work with the Men's National Team which is based in Calgary. As the leaders continue to weigh the advantages and disadvantages of expanding to a second location, one of the critical factors influencing their decision is how the new office will affect their ability to maintain a stable financial environment, as well as maintaining the quality of their programs. The board of directors have employed a specialized staff for a number of years to establish a professional-like organization. Much of the past success of the organization has been attributed to the work of these employees (a large staff relative to other PSOs). This staff is comprised of: an Executive Director, a Program Director, a Technical Coordinator, and an Office Manager. The Office Manager is the longest serving staff member in the PSO's history, and has witnessed many staff changes over the years. For example, after the 1989 Canada Games, the number of office positions increased from four to six and after the 1993 Games the positions were decreased back to four. According to the Executive Director, the down-sizing of the staff,

> was based on a little bit of foreshadowing. We didn't know how big [the sport] was going to get, but we just [had to adjust], to the point where we have learned how to do it much better - the use of volunteers and things like that. In today's economy, you [have] to make sure that those fixed costs, like staff, are as low as possible.

The Executive Director also stated that, although the organization has been under-staffed, the employees have been able to 'pick up the load' and improve the PSO's programs with the support of their volunteers and their board.

As mentioned earlier, many of the leaders attributed the success of the PSO and its programs to the people (e.g., staff and volunteers) involved in the organization. To maintain the PSO's reputation as a progressive organization, the staff and board members are trying to establish a stronger network of volunteers. Although the volunteers who are currently involved are very effective, the organization needs a larger base of workers to draw upon - the leaders do not want to 'burn out' the existing core of volunteers. When asked about volunteers, one staff member claimed that, "you see it in different associations like the Kinsmen and hockey moms. They have done an excellent job in getting people involved. I think that is certainly a weakness [within this PSO]." He also stated that they have tried different ways to get people involved such as "selling people on the benefits of volunteering." This recruitment process also includes inquiring about their areas of interest and the number of times they would like to volunteer (once, certain events, for a long period of time, ...etc.). By finding out the answers to such issues, they hope to meet the needs of the volunteers and the organization.

Another area where volunteers help the PSO staff deliver quality programming is the board of directors. Essentially, the volunteer board grants their approval on many decisions that have, more often than not, been made by the staff prior to reaching the board. This working relationship resembles what Kikulis et al. (1989) called a professional bureaucratic structure. However, the structure of the board changed significantly after the staff changes in 1993. Since the PSO's operations are primarily handled by the staff, many of the board members within the old structure did not feel 'ownership' or 'responsibility' for the programs. As one staff members claimed,

> I don't think [the responsibility] was laid out in the past, as clearly as it could be. It was a bit of a gray area, and they really didn't know [their roles] as board members. They are supposed to be the directors but I think that they need some direction as well from, obviously, the membership that they are representing and the paid staff.

Many of the old board positions were occupied by school teachers who brought invaluable technical knowledge and resources to the organization (e.g., reduced rental rates for gymnasiums), however, they could not contribute to the administration side of the organization - something the leaders felt that they needed. For example, when the staff faced problems with such things as marketing, sponsorship and accounting, the board members were not in a position to be very helpful because they were inexperienced in these areas. Therefore, the PSO leaders felt that changing the board structure and recruiting new board members would help to improve the organization's operations, and align the organization with the changes that have been occurring in the sport.

During 1993 a board member, who at that time was known as the Vice President of Administration, proposed to change the structure of the PSO's board. This proposal was based on the structure of a multi-discipline NSO, and after some revisions to the original proposal, it was implemented. The new structure consisted of two levels: an Executive Council and a General Council. The Executive Council consists of six positions: a President, Past President and four Vice Presidents (Finance and Administration, Player Development, Leadership, and Outdoor and Recreational). Along with the Executive Council, the board agreed to create a General Council that consists of elected representatives from different sectors within the sport (e.g., coaching, clubs, post secondary, indoor and outdoor). The function of the General Council is to provide a medium to hear the concerns of as many different membership groups as possible, and to find appropriate ways to address their needs. One of the Executive Council members explained the purpose of the General Council as such,

> It is also my responsibility to bring my ideas or bring information that I want to be discussed at the General Council because the General Council has the power to motion and to make decisions on important matters of the Association. At the Executive level we discuss things and we make recommendations but we can not make motions and vote on them.

The intent of the General Council is to allow more members to become involved in the organization, and to provide an avenue for the members to voice their concerns. At the time of writing, nominations for General Council representatives were being recruited. As these changes to the board's

structure near completion, the leaders are hoping to meet the needs of all the sport's stakeholders while addressing the issues facing the organization (e.g., volunteers, funding).

The changes to the board and staff positions also helped the PSO to 'catch up' with the growth and technical improvements in the sport. For example, a new board position (VP of Outdoor and Recreational) was added to focus on the growth of the outdoor and recreational sides of the sport. With the other changes over the last ten years (e.g., new rules, and increases in the size, strength, speed, athletic ability of the athletes), the game has become an exciting sport for television which the leaders hope will attract new members and sponsorship opportunities to the organization. Many of the PSO leaders have also stated that the increases in the sport's popularity through media coverage and the lower participation costs have helped to stabilize all the PSO's programs. The leaders voiced a great deal of pride regarding the fact that in the last five years they have not had to cancel any of their existing programs. This was due to improvements made to existing programs as well as the introduction of others.

The PSO's staff operates the following types of programs from funds received and/or generated from the Council, membership fees, and fund raising: player development camps, provincial teams, coaching and officiating courses, youth and adult tournaments, and provincial championships for club teams. To address the competitive needs for the province's younger generation, there are two indoor tiers (simply known as tier one and tier two). Tier one was designed for club teams starting after the completion of the high school season (the end of November). Club teams compete from January to May, however, some of the smaller centers can not participate in this tier

because of cost, time conflict with school schedules, caliber of competition, ...etc. Therefore, to accommodate another group of sport enthusiasts, tier two was designed to start later in the year (March), have a lower fee, and reduce the traveling and operating costs by tier two clubs hosting the tournaments. Although both tiers help to develop athletes at the grassroots level, many of the tier one clubs offer athletes an opportunity to play for elite-level teams.

The best athletes from both tiers are recruited to attend a tryout camp for the provincial teams. These programs are offered in the summer time and the teams compete against other provincial teams for the Western Canadian and/or National Championships. The provincial team program consists of two 'midget' teams (aged 14 to 15) and one 'juvenile' team (aged 16-17) per gender for a total of six teams. The goal of this program is to build competitive teams each summer and for the Canada Games (every four years), and to develop athletes so that they can play for post-secondary teams and eventually the national teams. There are no outdoor provincial teams, however, the PSO leaders are presently developing an outdoor program for younger players.

Adult members are offered a wide selection of indoor, outdoor, recreational, and elite programs. Since recreational players participate in commercial leagues throughout the province, the PSO is free to concentrate on the needs of the more competitive participants. Competitive adults, who are usually ex-post-secondary players, are involved with indoor club teams that compete for the provincial and national championships. However, the adult programs do not include an indoor summer elite program such as those available for the younger athletes. Whereas most of the indoor recreational leagues are privately operated, the PSO operates a majority of the outdoor

recreational and elite programs. Since the PSO has been developing their outdoor programs for a number of years, the organization is recognized around the country as a leader within the sport. As mentioned before, the next stage in the development of the outdoor game is channeling some of their expertise towards developing an outdoor program for the younger generations who currently participate with the adults.

Along with the adult and youth tournaments, the PSO is also involved in coaching development (NCCP courses, clinics and symposia), officiating development, summer camps for athletes, entry-level programs, and general promotion and development of the sport. For example, there is a fund raising program for clubs where 70% of the earnings are given back to the clubs. This return rate is significantly higher than many other PSOs' fund raising programs. In addition to the higher rate of return, prizes are offered to fund raisers who collect the most funds individually and as a team, therefore pushing the club's rate of return closer to 85%. This fund raising program helps the athletes to earn money for their club expenses, helps the PSO to raise additional funds for their programs, and helps to promote the sport throughout the province.

For people to participate in any of the technical or fund raising programs mentioned thus far, they must become a member of the PSO. There are many types of membership to choose from (e.g., player, coach, official). Regardless of the type of membership they purchase, they receive the following benefits: an opportunity to participate in the provincial championship, eligibility for the Canadian championships, a quarterly newsletter, accident insurance coverage for members while participating at a sanctioned PSO event, reduced rates for PSO officials, reduced rates for

specific PSO summer events, reduced prices from PSO sponsors, and free access to resource material and expertise. The following membership fee schedule lists the costs according to age and competition level.

Table 3: Membership Categories and Fee Structure for PSO D

Individuals	Fee
General	$20
Coaches association	$20
Outdoor association	$20

Teams		Fee
Bantam		$55 + $15/ player
Midget	- Tier One	$55 + $20/ player
	- Tier Two	$100 + $0/player
Juvenile	- Tier One	$55 + $20/ player
	- Tier Two	$100 + $0/ player
Junior		$55 + $20/ player
Senior B		$55 + $15/ player
Senior A		$55 + $20/ player
Senior AA		$55 +$25/ player
Institutional		$55 + $25/ player
Recreational		$35 + $0/ player
Competitive Coed		$35 + $0/ player
Masters		$35 + $0/ player

A majority of the members register with the PSO indirectly through their club membership fee. For example, an athlete pays a club membership fee to play on a club team. Club officials then register all of their teams (e.g., coaches, managers, and athletes) with the PSO to ensure that they will be eligible to compete in the provincial championships. When the clubs register with the PSO, a small portion of the athletes' club fees contribute to the PSO's membership fees. Although a majority of the PSO's programs are implemented with the membership fees collected from the clubs, a portion of this fee is also used to register all of their members with the NSO. This allows Alberta athletes and officials to qualify for national events. Therefore, although the athletes only pay a club fee, a portion of this fee indirectly contributes to registering them with the PSO and the NSO.

A majority of the teams within the province belong to local clubs. With the exception of Quebec and possibly Ontario, Alberta has one of the largest organized club systems in Canada. There are over twenty clubs from places

as remote as Peace River and Slave Lake to as far south as Lethbridge and the Crowsnest Pass. On average, the province's largest clubs have ten teams per club and the smaller ones have two teams per club. According to a staff member, the club system is fairly strong and continues to grow throughout the province.

> I don't think there is a need for more clubs. A lot of the smaller centers have really taken advantage of tier two. Smaller centers basically have teams, and if they have one boy's team and one girl's team (if you consider that a club), then I think there is more of a need for a club. We're seeing an equal amount of tier two teams as we get in tier one. So the rural club system, after school [teams], is really growing. ... Sure, whenever we hear of someone interested in starting a new club, bang, we ship them out all of the information, help them facilitate it, get it going, but I don't think that there is a problem right now with [the number of clubs].

Since the leaders would like the smaller clubs to have more teams, the staff helps the leaders of the younger clubs to develop their program. For example, the staff members provide ways to improve the clubs' operations such as fund raising, and coaching development. They also distribute information for international trips and exchanges. The PSO leaders stated that their goal is to improve the partnership between the PSO and the clubs to improve the environment and programs for the sport and its enthusiasts throughout the province.

Since the sport is also known as a 'life time' activity, the primary goal of the PSO is the promote and develop the sport to as many groups within the province as possible. A staff member described their mission as such.

> The really big picture of [the PSO] is just to, I wouldn't say to promote the sport because that is easy to do, it is getting people playing the sport. That is a by-product of promotion, hopefully. But having the sport grow and at the same time, making sure it is done properly so that the people who do play the sport can enjoy it. Making it a great sport and get people playing. It is fairly, I guess, a young sport and a sport that hasn't reached its potential. So our role is taking it to its potential.

To reach this potential the PSO leaders are assessing their current operations. Before 1988 the PSO had seasonal 'slow times' in the summer, and now the staff is busy for the entire year. With the addition of the outdoor game, the summer programs have become just as popular, if not more than the indoor winter programs. A staff member explained the increase in the popularity of the indoor and outdoor game from a promotional perspective.

> It is the same game, and yet, it is different. The exposure, the TV, and the hype is one of those promotions that gets the [sport] into the language more often. The more times [the sport is discussed], where ever it is, the better.

One of the reasons why the sport's popularity has grown was the success of the USA Olympic men's and women's programs. Their success has resulted in more television exposure for the sport, and increased the participation rates throughout the country. The increase is not isolated to the United States; many of the PSO leaders across Canada have also witnessed an increase in

participation within their province. For example, in 1993 the sport accounted more participants in the high school athletic program any other sport.

As the sport's popularity continues to grow, many of the leaders expressed a need to control the quality of the media coverage. In terms of the outdoor game, one board members talked about image as,

> People are asking questions, they are kind of wondering if this is a sport. Even TSN [The Sport Network] compared it to ballet, and stupid things like that. So we have to do a lot of work for the image of the sport. Image is how you are going to present the sport and how you are going to make it a sport in people's mind. Can you make it a sport through [values] such as fitness and health?
>
> It is not a problem but it is a fact that we will often get sponsorship from alcohol companies .... You have to be aware of the influence of our sponsors on the image that is created for the sport. And also, I think that is related to the behavior of the athletes. The image it creates at the recreational level should be somewhat different than the image - I don't know if it should be different but we have to think about it - the image at the pro level.

His remarks regarding the media, athletes, and sponsorship show that he has concerns about the image of the sport, and that they have to attempt to control how the sport is portrayed to the public (such as the quality and types of the companies/products sponsoring the events).

As mentioned earlier, the staff and the other board members have started to develop a strategic plan with the help from the new board member

(VP of Outdoor and Recreation) to address issues such as media promotions. He expressed his views about the strategic planning process in the following way.

> The key concept here is that strategic plan, the way I see it, is you don't let anybody just write it down. It is an involvement type of process where you need to gather information from a whole bunch of people to set the direction. With a nonprofit organization it is important to have the support from members and from the board and from the people. Make sure that they are involved so, by involving them, you will help them to understand what is going on. With an understanding, people are in a better position to make good decisions for the association.
>
> We have already had a meeting where we basically reviewed the mission of the association, and what are the values, and some of the goals of the association. In the sense of more general goals that related to, lets say the growth of membership and finance.... So there was this meeting [to] brain storm to gather that information. I have met with the employees and came up with a summary of that information, the mission, the vision, and the goals, and values that I think that are very important. Then we are getting into more strategic analysis, where we can look at the different areas of the [PSO], like ... the internal factors and the external factors, and identifying strengths (so basically evaluating the PSO).

For the next phase of the process, this board member is going to lead a discussion to identify the critical issues facing the PSO. He noted,

> The whole process is based a lot on the critical issues. Identifying needs and gathering facts and data about them. Identifying root causes, why is it happening, and developing a whole bunch of ideas on key actions that we can take. We're in the analysis process - strategic analysis. We are going to have a meeting for the General Council in a few weeks, so everybody will be asked to bring out all of the issues that they have in mind. We will recruit that information and we will spend some time discussing what should be the future direction for the association. Where should it go?
>
> In the mean time, we will have the employees gathering facts and data about the different programs. Like how many people are playing, how much money we are making from different things. The key thing in this is that we ask the general membership their feelings of issues and the direction. At the same time, we don't want to do it on perception. You don't want to plan based on perception, we want to plan based on facts.

Throughout his discussion about the strategic planning process, he emphasized the importance of making the entire procedure as simple as possible.

This newest board member's philosophy about strategic formulation, and what he hopes to convey to the other leaders, is that it does not have to be a complicated process.

> [My] idea was that the strategic plan, and I think it was really well received with them, has to be very simple. You don't want a big document. When you look at other strategic plans,

> you spend a lot of time writing these big documents but as soon as it is too big, it is hard to follow. It has to be very simple. [For example] it has to be on one page. It is basically 4 pages (a 11" by 17"). So that you can have just a title page and you have mission, vision, values. And then you have the strategic areas: some goals and some of the actions. Basically, you have your direction. From there you can develop, with more details, a business plan or a yearly plan.

In his discussion about the length of a plan, he mentioned that three years should be sufficient for a nonprofit organization because it aligns with the environment of:

> decreased funding, high turnover for employees and things like that. So you don't want to plan for too long. Keep it short, simple, give direction. Learn the process while you are doing it so that you will be better at it. Maybe later on they will want a longer plan. There is always a learning phase. It doesn't have to be perfect the first time you are doing it. We are all going to learn and it is going to be good to a certain level, but it could be better.

Although the VP of Outdoor and Recreation wants to help the board formulate a strategic plan, he is suggesting that it is important that the board members learn the nature of the process so that they can develop plans in the future (and not rely on a single individual to guide them through it).

For example, the leaders want to develop a plan to make the organization financially self-sufficient. Many of the PSO's leaders envisioned that the PSO could achieve this goal if it operates in a 'business-like' manner

(e.g., cost control as the Council funds decrease; and matching their services to the needs of their members). They also agree that the entire leadership group has to continue to work together to develop more innovative ideas.

> What we do is each person brings different ideas and different concepts with them to the association, and how you melt those together is what is going to make the organization achieve what it is. I think we had a great staff and board relationship in our association. ... If, for example, I came and said "I think we should do this and the association will benefit" we would talk it over and if we do think it is going to be a benefit to the association and to those individuals in the different constituents in the organization, then we will do it.
>
> I think one of the things that is most important for any organization is that the people do bring that kind of attitude with them to an association. Be a self starter and push them away from a stationary position - in the beginning and the end. That is not where we are at. We are in a moving climate, and my opinion of the association is that it is going places, and it will only go as far as the people want to take it.

The staff also felt that to generate new operating funds for the organization, they have to attract sponsors.

As with most PSO leaders, they believe that sponsorship is an important way to becoming more financially stable, therefore the entire staff continues to work to solicit new sponsors into the organization. The leaders try to cater to the sponsor's promotional needs by finding out what their needs are before submitting a sponsorship proposal. Although the PSO is seeking

additional sponsors for the organization, its single largest external funding source remains the Alberta Sport Council (currently at 35% of the PSO's budget). When asked if the organization can support itself if Council funds were substantially reduced, the Executive Director claimed,

> I think we can eventually become self supportive. Not to say that it is going to happen real quick but that is something we should be designing our programs to be. ... A lot of them are already. There are a few that aren't, but we are getting better. We are developing a bit of a surplus in preparation for the cuts that are coming. I am adamant about there [being] cuts. Whether they are a 100% type cut or a percentage cut.

Presently the PSO has a few programs (such as the provincial team program) that rely heavily on the Council's funding. Other events, such as the tournaments and the outdoor season, are all self-funded and the staff believes that if they continue to base their programs on the same philosophy as they do with sponsorship, people (especially the youth and the recreational side) will be willing to participate in their programs.

To summarize, the PSO leaders' views on growth are summarized in the following statement made by the Executive Director.

> I don't want to see a huge jump because I think that is tough to handle. That is where you can run into problems of running or doing people a disservice. If you can keep growing, like we are, at a pretty decent pace and getting people involved in [the sport], that is a big plus. So, just about every facet [of the organization], people that are involved and programs that are involved, take a couple of steps up. Nothing huge.

With all of the changes in the sport, the organization, and its people, the PSO leaders are hoping that they can continue to be creative and innovative in their efforts to develop and promote the sport. They also believed that their involvement in the strategic process to develop a plan will help to build a stronger organization for the future.

Chapter 5: DISCUSSION

Chapter Four introduced the reader to the four PSOs participating in this study and outlined the leaders' strategic initiatives within each organization. As the cases illustrated, the leaders of each PSO have diverse opinions regarding how to deal with the issues facing their particular sport. This chapter will present an analysis of how contextual factors helped to influence the strategic initiatives that were outlined in Chapter Four, and how they compare to the strategic types identified by Thibault et al. (1993). The chapter begins by reviewing Thibault et al.'s (1993) framework so that the reader can assess for themselves how the examples fit into this framework. The second section will provide the reader with a discussion that focuses on the contextual factors such as funding, membership, and volunteers and promotion. This discussion also examines the types of strategies that the PSO leaders have developed after interpreting their contextual environments. The chapter will conclude with the author's interpretation of how the four PSOs fit into Thibault et al.'s (1993) framework and summarize how the PSO leaders view strategy.

(1) THIBAULT ET AL.'S FRAMEWORK:

Thibault et al. (1993) placed two dimensions (program attractiveness and competitive position) on a matrix to produce four strategic types: enhancers, innovators, refiners, and explorers. Appendix Two provides a summary of the characteristics of each strategic type. According to Thibault et al. (1993), the two dimensions serve as a way to group several of the important imperatives in formulating strategy in order to uncover the types of strategies employed by amateur sport organizations. They assert that the

dimensions and their strategic imperatives help to provide information about the context in which nonprofit organizations operate. It is important that this context be identified in order for administrators to develop appropriate strategies for their organizations.

(2) CONTEXTUAL FACTORS:

Throughout the discussion it will be shown that the three contextual factors (funding, membership, and volunteers and promotion) are those that primarily influence strategic issues. For example, some PSOs (e.g., Cases A and D) are striving to become financially stable and independent from the Alberta Sports Council as they try to increase their membership. However, there are some PSOs (e.g., Case B) that are simply striving to survive financially while trying to stop their membership base from shrinking. Many of the leaders believe that the contextual analysis and hence their strategies do overlap with each other. For example, the types of strategies that PSO leaders develop to manage their external and internal financial resources will influence how they tackle their membership and volunteer concerns. This will become more apparent when this chapter is drawn to a close.

(a) <u>Funding Issues:</u>

One of the distinguishing characteristics of profit and nonprofit organizations is their source of operating funds. In profit organizations, funds are raised by shareholder investments and/or the sale of profit inducing goods or services. "This is not true typically of ... nonprofits and therefore, [they] must seek financial resources elsewhere" (Higgins and Vincze, 1986, p.270). Authors, such as Tuckman (1993), encourage nonprofit organizations to have

diverse sources of funding to minimize the effects of a changing environment. As stated earlier, over the last ten years the Alberta Sport Council has been the primary external funding source for the PSO sector. However, with the Council's reduction in funding during the late 1980's and early 1990's, many PSO leaders have looked to diversify their funding base (such as sponsorship, user fees, cost control, and surplus funds). In anticipation of another drastic funding reduction by the Council, many leaders are attempting to make their organizations more self-sufficient through such fund raising alternatives.

Since 1984, the Council has been an important financial partner for the PSO sector in developing three major technical areas: athletes (e.g., Sport Outreach, Talent Identification), leadership (e.g., coaching and officials' courses), and other technical areas (e.g., grants to host national and international events). As long as the PSO met the Council's funding requirements, PSO leaders could use the funds to offer a wide selection of programs to their membership. Although the Council provided the PSOs with funding to develop their organizations, the Council also expected PSO leaders to take the initiative to generate revenues through various fund raising activities.

Although PSO leaders are trying to generate funds from other means (e.g., sponsorship and fund raisers), many of them considered the Council to be an important factor in the early development of their sport. For example, the Executive Director of Case D supported the Council's funding policy as the monies they received gave them

> ... a solid backbone to work from and develop our own programs. The Council keeps us on the right track doing what is

> best for Albertans. Without a direct link to [these] dollars, I could see a much more capitalistic approach in programs offered [referring to a user fee].

Since the PSO in Case D received funding from the Council early in its 'developing years', the organization has established its technical programs to a point where leaders can now focus on trying to develop new programs while strengthening the existing ones - an initiative similar to the fine tuning strategy described by Thibault et al. (1993).

The Executive Director of Case D also claimed that without the early funding contributions from the Council, many of the technical programs such as the provincial teams would not have been possible. This would have affected the opportunities for Albertans to participate in the sport and be chosen to the National Team (in 1992 one third of the national team was from Alberta). Therefore, the leaders in Case D have been developing Council-sponsored programs as well as creating programs reliant upon alternate funding sources (sponsorship) to reduce their funding dependency from the Council.

Although many of the technical programs sponsored by the Council have been beneficial in the establishment of their organizations, the leaders of Cases A, C and D claimed that their organization could still operate if there were additional funding reductions by the Council. For example, as illustrated in the last chapter, while the leaders in Case D were creating new funding sources, Case A leaders have been fine-tuning their sponsorship, fund raising (e.g., wine gala), cost control (e.g., restricted meal allowance), and surplus funding strategies (e.g., the Foundation) to reduce their dependency on Council funding. The leaders of Case C predicted that their organization could

survive by focusing solely on providing a competitive schedule and dropping many of the other programs. The reason for keeping the competitive side is linked to the fact that many parents of elite athletes are heavily involved in the organization, that the competitive side has been a historical part of the PSO, and that a majority of the members are competitive athletes. The PSO leaders in Case C continue to alter programs, that were developed by other organizations, to minimize their moderate dependence on external funding. According to Thibault et al.'s (1993) framework, the strategic type that resembles Case C's level of funding dependency would be an innovator type. However, many of Case C's programming ideas are the creative results of people outside the PSO rather than inside the organization. Therefore, many of the programs that are modified to work within this PSO are used on a trail basis until it is deemed by the leaders to be successful. This type of strategy is a mixture of Thibault et al.'s (1993) innovator and explorer strategic types.

Although the PSOs were able to build a strong supportive network in the Council's early funding periods, there has been one major drawback over the years of this external funding source, namely, many organizations have become dependent on the Council's funds. A conversation with a board member from Case D expressed the dependency succinctly:

> "What are the consequences of your incompetence if you get funded every year?" I don't know if it is a government's responsibility to provide the support for the association. I think it is the members' responsibility. If I want [an] association, it is my responsibility. It is not the government's. It is my role to make sure that the employees are well trained. It is my role to help [the staff] to give us the services I want. Not the government's

> role for God's sake. I mean, it just doesn't make sense to me.
>
> That is a really good way to go into debt.

Although the views of this board member are valid, self-sufficiency plans have not been a top priority for many of the PSOs. Recent speculations of further funding cuts have led PSO leaders to start planning for the future (e.g., discussions with other leaders and with Council consultants) to increase the amount of their resources (e.g., alternate funding sources, volunteers). As external funding becomes limited, PSOs will be facing what Greenberg (1982) called a 'competition for scarce resources'. One of the ways PSOs compete against each other is by submitting developmental plans to the Council each year as a part of their funding requests. Even though these plans may not be their intended course of action, an interview with a Case D board member revealed that the PSOs are required to design and submit plans to develop their sport. He noted that, you may have somebody who develops a really good plan for the Council's sport consultants, however,

> the same plan is used every year (with a few changes in the dates ...) and the people just accept it. Once in a while the sport consultant changes, [but] basically the same [plans] are used. I wouldn't be surprised if some of the projects that are presented are ten years old! I have seen it in other nonprofit organizations. I know how they are presented to the government. I mean the system sucks that way.

If the plans were written to satisfy what the Council wants to hear, then they may not be reflective of the organization's goals. The dependency on this external funding source may cause the eventual demise of the organization if

strategies for alternative funding source are not developed and, more importantly, funds are not obtained.

An example of this funding dependency is illustrated in Case B. The leaders have been experimenting with many fund raising ideas and hoping to find one that is successful. The table below illustrates that Case B has the highest percentage of Council funds (of their total budget) compared to the other three organizations participating in this study.

Table 4: Percentage of Total Budget that is Received from the Council

PSO	Percentage of Total Budget from the Council	Total Budget
A	12%	$724,000
B	51%	$120,000
C	30%	$300,000
D	31%	$650,000

Case B leaders stated that although their funding continues to decline, the small PSO continues to fight for its survival as the leaders use, what Thibault et al. (1993) labeled, a trial and error approach to limit their dependency. However, the leaders continue to struggle to generate enough additional dollars to replace the previous budget cuts (e.g., their attempts to host an equipment trade show), and therefore, they claimed that the organization would not survive another reduction in Council funding.

As suggested above, funding concerns influence the programming decisions made by PSO leaders, and funding will remain an important factor as strong indications surface that the Council is planning on reducing its funding levels again. All four PSOs are attempting to find alternate external financial resources to minimize their dependency on the Council through

sponsorship, user fees, cost control, and surplus fund strategies. Before outlining how the leaders initiate such funding strategies to reduce their dependency on the Council, the following illustrates how many of the leaders are constrained by time in all of their strategic efforts.

Hamel and Prahalad (1993) have argued that competitive organizations find less resource-intensive ways to achieve their goals (i.e., the strategic allocation of resources compliments an organization's strategic leverage and/or competitiveness). They suggest that managers can increase the effectiveness of their resources by: concentrating resources around strategic goals (e.g., increasing funding), accumulating resources more efficiently (e.g., recruiting volunteers that could eventually become board members), complementing one kind of resource with another (e.g., using sponsorship dollars and volunteers to minimize the costs for a program that is not funded by the Council), conserving resources whenever possible (e.g., using volunteers instead of paid staff), and recovering resources as quickly as possible (e.g., recruiting sponsors for next year by inviting them to observe this year's events). The survival and/or competitiveness of an organization is achieved through creative management of the organization's resources such as maximizing staff 'time' as an important resource to develop strategies.

Hamel and Prahalad's (1993) notion that organizations should find less resource-intensive ways to achieve their goals can be applied to PSOs. For example, one of the most common claims by all the staff and board members interviewed was the lack of resources within the organization to address strategic issues such as increasing their financial resources. The professional and volunteer employees felt that 'time' was a critical resource needed to develop projects and the day-to-day tasks of the PSO. The allocation of time

is particularly crucial for smaller or younger PSOs (e.g., Cases B and C) that have limited human and financial resources, and are attempting to develop programs along with managing the daily operations of their organizations. For instance, when a Case B staff member was asked if she had enough time to complete projects, her response was as follows:

> You know, I don't because the everyday work in the office takes up a lot of time. I mean a lady phoned in today. She is from Ottawa and she is coming out to do a show and she wanted to video tape 8-14 years old [athletes] in Calgary next week. "Who do I recommend?" OK, for me, the nice thing about the database that I am working with is [that it is] friendly, so I can literally input those things and just pull out those items. And there were four kids in Calgary that are within that age group. That was nice and I faxed it to her, but that was five to ten minutes of my time. Then the next phone call comes in, and "I want to go touring.", "OK, I'll send you a package." So I gathered the information and all that stuff ends up taking up more time than you ever want to admit. Then more budgeting is next, and I had an agenda to do. When you are the only person in the office, no one else ... is going to do it for you.

The data suggest that time is also scarce within larger PSOs. For example, the President of Case A provided the following comment regarding the lack of time.

> I find it a constant frustration that I know what I should be doing [regarding sponsorship] because of my background - I was selling a consultant service (a very intensive product). It

> was a large financial commitment, so I know the process [in approaching people with a product]. It is a little frustrating because we are a volunteer based organization with a relatively small staff to free-up the time to do it right. I find that when I do get [a sponsorship proposal] off, I made one or two contacts [with sponsors], but not be able to do the follow up.

This example indicates that limited time may cause many strategies to be reactive rather than proactive. Time, as a limited resource for strategy formulation, is a concern for professional staff members in the other PSOs as well.

The staff members of Cases C and D were also asked about their time devoted to developmental projects. A majority of them stated that they have many ideas they wish to investigate and implement, however, they do not have enough resources to operationalize them. For instance, with the time constraints on the leaders in Case C, they appropriately borrowed programming ideas from other organizations rather than developing their own. One particular employee of Case C claimed that she allots roughly one month per year to new projects.

> ...not a straight month, but time wise, I probably put that many hours in. First getting my idea on paper, then discussing it with various people. Then [I take] it to a committee to see if they are interested, and then just keep working away at it until it is up and running.

Although she felt that the above process was time consuming, she did not believe that the approval process was very restrictive. What she found frustrating was

> ... the time from when you get the idea - when you are really keen - to having it dragged around by different committees, by different board people. Then having it come together, or if it is going to come at all depending on where we are at the association at the time. There are a couple of projects that, you know, I still have sitting in a file folder that haven't gone anywhere.
>
> I think that for some of the cases, I think that I am further ahead than the board members are because I deal everyday in [the sport] and where it is going. I have these ideas and I just don't think that they are ready for them yet because the same thing happened with the school program. I had done all this research years ago, so when it came that (boom), we are going to do it, I had all this work done for them. They couldn't believe [it]. You know, that is a cycle that you go through. But I don't think it is restrictive. I think I have a lot of opportunities. I think I have the confidence of my board and that they trust me. If I say that this program is going to go and I make my presentation to them, then if there are no holes in it, they are more than likely going to buy into it.

Although decision making in Case C is basically centralized, smaller PSO's with committees can help stretch resources for new projects.

Case D provides an example of the difficulties of obtaining resources for developmental projects within a larger PSO. The following quote is an example of how a staff member from this PSO used existing programs to expand other ones.

> The world of amateur sport is a very busy world, as most people can attest to, and there isn't very much time at all. There are long hours with very little pay. The gratitude is the fact that you love the sport you work in and you see the smiles on the faces when you see the event done. I would have to say that if that is your attitude in terms of taking risks - you want to go out and go forth and try new things, ... which is an attitude that I have in general. I mean I make time for it in terms of I'll incorporate it into my programs. I don't [have a lot of time] really and I'll be honest, I don't have the time to sit down and actually create new programs. If it is going to stem from something that is already existing ....

When asked for an example of a program that was developed in such a manner, he described how they developed their outdoor leagues last year.

> We said "OK, outdoor leagues. There are a lot of people that play indoor leagues and it is more recreational, so why not outdoor leagues? And we can get a big sponsor. OK. How are we going to implement these? We'll do it this way and offer all of these different areas and will have them play once a week or three times. We will have a big wind-up part and maybe a tournament in-between."

He went on to describe that the idea was such a success that they decided to expand upon the outdoor leagues. He thought that it would be a good idea to,

> go to Red Deer, Grande Prairie, as well as expanding in Edmonton and Calgary because this is going to service our sponsor. And it is going to get the name out of [the PSO] plus

> the sponsor to all these people. So lets do it that way. Let's not stop there - for the next year - let's 'farm- out' [the league concept] to the small communities. Like a cookbook of an idea. "Here, are you interested in getting involved in running a league in your community? We will supply you with this, this and this. You do all of the rest."
>
> That is how an idea snowballs. Like I said, it happens like that [he snaps his figures], and we had to act on it right away. Otherwise it is going to get lost in so many things that we run. We run an event every single weekend, we can't sit down and plan the activities. A lot of our brain-storming happens after the event too. "What can we do better? Lets do something different next time". [This happens] when we are driving from site to site.

The above example would be classified as an 'optimizing' strategic type within Thibault et al.'s (1993) framework, in that, organizational leaders, who are creative and find 'pockets of time' for developmental work (e.g., brain-storming after the event), seem to offer more services to their members. Moreover, these examples help us to understand that developing and implementing new projects is a creative process, and leaders should not limit themselves and the organization by following one particular method over another. A lack of time is not only a problem for the professional staff members, it is a concern for board members as well.

Since the involvement of the board members within PSOs is voluntary and considering that many board members have careers, families, and other equally demanding commitments, time becomes a premium for them as well. For example, a board member from Case B admitted that "we are just

basically a volunteer organization. We don't necessarily have the time for [some projects]." Another example was provided by two Case A board members who needed to take a week's holiday from their paid professions to help the PSO host a major international event. Therefore, with time being a valuable resource, how does this affect the strategic process? The answer is that all types of resources (e.g., time, financial, human, ...etc.) limits the leaders' ability to formulate strategy.

For example, the small office staff in Case B has a limited amount of technical knowledge - especially since the Head Coach resigned. According to the Program Director,

> I can't worry so much about the technical side. I have to rely on whoever is the next coach. He has to worry about the direction of the team and so does the racing board. I used to think that was such a big part of the my job that I had to worry about that. You know what, if I had to worry about that, I'd never do any [of my administrative work].

The organization is currently looking at ways to fill this technical void in a cost efficient manner, such as hiring coaches during the summer to oversee certain competitions. Using Prahalad and Hamel's (1990) notion of core competence, the Program Director's strengths lie in handling the administrative duties of the PSO, and not in the technical characteristics of the sport. Therefore, her time is maximized within the managerial domain of the organization, leaving other people within the PSO to be responsible for handling the technical side of the sport, creating new programming ideas, and pursuing alternate funding sources. According to the strategy literature, many resources can be stretched and maximized, therefore acting as a strength

rather than a weakness. Since it is ultimately the leaders who will decide how the resources (e.g., the division of staff time) are used, it is up to them to prioritize their use of the available resources.

Another example of how lack of time limits the leaders' ability to formulate strategy involves fund raising. According to Unterman and Davis (1984) and Drucker (1990) fund raising is a board and staff function. Although the board may not be involved in the day-to-day operations of obtaining funds, they can contribute to an important aspect of the PSOs' public relations through the education of their organization's members. According to Unterman and Davis (1984, p. 77-78),

> Effective fund raising can be achieved only when the institution has a recognized and publicly known image in the community. If donors in your community state they have never heard of your organization, the likelihood of securing a gift is remote. The first stage in any effective fund raising campaign is a public relations effort in the community to make the organization and its mission known.

Along with educating the public, the board can also assist with fund raising activities such as a fund raiser recognition event. This could be something that is often overlooked or forgotten, and yet fund raiser recognition can be something as simply as a telephone call or a letter of thanks to donors and sponsors. Though some types of nonprofit organizations, such as the performing arts, leave fund raising to the board of directors (Adizes, 1972), the amateur sports sector tries to use a cooperative effort between the staff and board members to fund raise.

To conclude, many professional volunteer and staff members are limited by the amount of resources (e.g., financial and time) there are to formulate strategies. In the following section, the nature of the funding strategies (e.g., sponsorship, user fees, cost control, and surplus funds) initiated by PSO leaders are addressed.

Funding Strategies:

One of the most widely used strategic initiatives to increase the level of funding for PSOs is sponsorship. The role of sponsorship varies within the Canadian amateur sports community. For example, the governing NSO of Case C has recently employed ten people to solicit sponsorship for the organization. On the other hand, recall that a Case B board member called sponsorship the 'Holy Grail' of amateur sports and virtually impossible to obtain. Although sponsorship deals can improve the financial position of PSOs, many organizations are struggling to attract large sponsors to their organizations. The following addresses how reductions in Council funding have influenced the PSOs' sponsorship strategies.

Of the cases within this study, Cases A and D have been very proactive in obtaining sponsorship contracts while Cases B and C have had very limited success. A major factor in the success of Cases A and D lies in how they view sponsors. In the last five years the leaders in both of these PSOs considered sponsorship as a way to increase their operating funds from an external source to combat decreases in the Council's funding levels. In other words, the leaders in Cases A and D service their existing and new sponsors as a constituency within their membership. As described in Chapter Four, for example, Case A used an aggressive approach to pursue corporate

sponsorship by changing the names of a program to match the needs of the sponsor and developing a cross marketing contract. This type of strategy would fit under Thibault et al.'s (1993) refiner category. For the leaders in Case D the only way they felt that they could offer the new outdoor programs was through sponsorship, therefore they approached business leaders that were marketing products that would suit the outdoor game (bottled water, clothing, alcohol).

Members of Cases A and D also stated that sponsorship deals take time to establish (e.g., knowing who to talk to, serving their needs, showing the value of their assistance, ...etc.). Drucker's (1990, p. 85) discussion about cultivating a donation also applies to sponsors when he claimed that leaders have to recognize

> ... that your true potential for growth and development is the donor, [and that] is someone you want to cultivate and bring along in your program. Not simply someone to collect this year's contribution from.

For example, an employee of Case A claimed that sponsorship is about how you approach a sponsor, timing, and innovative ideas.

> It is the same approach to sponsor. "What can we do for you?", instead of going to them and saying "how about giving us some money? Here is an idea that might help drive your sales and here is how we will measure it." First you have to get the right guy. That took quite awhile and you have to be pretty persistent. "Look, I have some ideas where we may be able to help you". Try to find out what their needs are, what are they looking for. The guy was pretty up front. He gave me three

> things [that they needed from the PSO]. I said to myself "How can I do this?", and I worked on it. I came back and said "How about this? I think it will work".

The above comments indicate some of the information that leaders have to include in a sponsorship proposal. The proposal package of Cases A and D strategically included examples of media coverage for past events, and membership and audience demographics for the events. In addition to submitting a proposal, the leaders also try to invite representatives, from potential sponsoring organizations, to witness events for themselves. The rationale was that when the representatives observed the events, they would have a better understanding of how their organization's own needs could be attained while supporting the PSO. Therefore, the leaders of Cases A and D provided as much information as they believed potential sponsors needed to become a supporter of their PSO.

Greenberg's (1982) arguments regarding the competition of scarce resources could also be applied here. For example, although the PSOs are not in direct competition with each other for their membership base, they are indirectly competing to gain major sponsorship (e.g., just within this study, two of the PSOs - Cases C and D - have one common sponsor). Sponsors are looking for organizations that can offer what they desire: sales, high profile, and to some extent, goodwill. Therefore, for-profit companies usually distribute their funds to the few PSOs that can match their corporate needs rather than supporting a large number of PSOs.

To a large extent, Cases B and C can not meet the needs of a potential sponsor because, to survive, the leaders spend a majority amount of their time trying to control their expenses. Case A and D leaders differ, in that,

they solicit sponsors while controlling the PSOs' expenditures. Although it is important for the leaders of Case B and C to control how they spend their existing funds, very little of their time or energy is focused upon attracting sponsors. For example, the Executive Director in Case C was hired primarily to raise funds for the organization. Although the first two years were successful (e.g., she increased the budget from $150,000 to $300,000), she has since focused her attention towards strategic planning and has not attracted new sponsors. In regards to Case B, other than small sponsors who advertise in the membership handbook, the leaders have had difficulties raising sponsorship dollars for a number of reasons. First, the organization has a small number of the staff members who are busy working on the day-to-day tasks, and therefore do not have the time to recruit sponsors. Second, a majority of sponsors are looking to gain high profile and/or sales from a large membership base and/or a large number of spectators at the events. Thibault et al. (1993) would label Cases B and C as having a low program attractiveness rating. In Case B, the organization has a small membership base, and the events are in remote areas where the general public are not likely to travel to watch the event.

Case B leaders considered hiring a professional fund raiser to allow other employees more time to concentrate on their office duties, however, the idea was quickly dismissed. After investigating the results achieved by other nonprofit organizations that had hired a professional fund raiser, the board felt that people were not likely to donate money if they knew that a portion of their donation paid a person's salary and did not directly benefit the organization. They also rejected a campaign of telephone soliciting because, as they described it, the campaign has a 'tacky' and 'unprofessional' image attached

to it. In the mean time, they are still looking for someone with fund raising expertise who could advise them. One of the places Case B leaders are looking for an advisor is internally (e.g., local clubs) because some of the larger clubs have been very successful in obtaining large sponsorship contracts. As described by the President of this PSO,

> The clubs seem to be more successful [in recruiting sponsors] than the provincial association. One or two club people in the Calgary area are successful and I have actually started a process of trying to get [their] expertise away from the club level. They seem to be able to raise funds for this one race they put on. I don't know how it's done but the race comes out with $15,000 to $20,000 of prize money every year. If we could get our hands on [that amount] as a province, ... I think what they got last year from the casino equaled about $12,000 and they use it to put on this race. There is one other organization that gets away with a very nice amount and I am not sure how they fund raise but they have a casino as a club which make about $65,000.

Therefore, the leaders in Case B hope to transfer some of the sponsorship knowledge from the clubs into the PSO to learn more about the sponsorship process. This is another example of how the Case B leaders are willing to try all avenues to raise funds for the PSO - a strategy that Thibault et al. (1993) would call 'trial and error'.

One of the difficulties in obtaining sponsorship contracts for all four PSOs is the lack of contacts with the business community. Nonprofit leaders stressed that it is important to have "connections in the corporate world" to

make that initial contact within the potential sponsor, otherwise, it is very difficult to establish a relationship with a sponsor. As mentioned earlier, this can be a problem because the staff and board members are limited by time to make the necessary contacts. For example, Cases A and C have well-rounded board members (e.g., technical and business knowledge), and the board members of Case B and D basically provide technical knowledge. Although the latter two boards are active in the technical side of the sport, they have not been able to provide any business contacts for the Executive Directors. To compensate for this lack of contact, staff members have obtained all of their sponsorship deals through the cultivation process mentioned earlier, or when a member approaches the staff with a contact name. Case D leaders have approached this contact problem from another direction, in that they have joined the Chamber of Commerce to meet potential sponsors at the Chamber's networking activities.

The lack of opportunities for networking is also a problem for Case B. This is compounded by the fact that the leaders do not feel as though they fully understand the nature of the sponsorship recruiting process. Although there has been a concentrated effort to raise funds by other means, after the President researched how to obtain sponsorship deals, he decided to find a volunteer to help them in their pursuits. As he noted,

> My initial thought was it was just a case of asking people and getting something or not getting something. I realized after exploring it to some extent and over a period of time that it takes a fair bit of talent. I began to recognize that I just don't have that talent. So, it is a case of finding somebody who can either

advise and direct us on how to do it, or actually do it for us which would be more successful.

One of the problems which I think is within our organization is that it is an organization which does not appear to attract people with wealth, or people from the business sector who would naturally have contacts which we could use to help us raise money. I think that [the sport] is still a very low key sport not only in Canada but (as far as the media is concerned) it's a low key sport as far as participants are concerned. We don't bring a lot of wealth to it. We put it to the equipment. The pleasure of [the sport] is in fact the training and the racing (in most cases). We also have the other side who don't race at all, and they are using [the equipment] for commuting. That also infers a certain income level as well. So there isn't a lot of money within the sport. There are not a lot of people who have high incomes, or in fact, ... contacts [with people who have high incomes] within our sport or our organization.

Although this board member's comments are similar to the concerns of many other PSOs, many leaders continue to learn and work at obtaining sponsors.

All of the PSO leaders who were interviewed stressed the importance of sponsorship dollars to help their financial position, however, they stressed that it is not the only way to raise funds. One Case D leader claimed that the organization has to focus on two sponsorship ideas, in that,

I think trying to develop a corporate image and sponsorship relationships are long term. I don't think any organization will be able to run exclusively on sponsorship

> dollars, but if you can take a fair chunk of your budget away from this exclusively written sponsorship dollars, then that is great. It is going to help, and knowing that the dollars are going to be there from year to year, versus from a big hit or a big miss type of relationship, I think it is important. Then you know year to year you are going to have 'x' amount of sponsorship dollars.

When asked to define how their sponsorship strategy ties into developing their corporate image, he claimed that,

> "How do you reach your customers" is basically my focus here. That is a very important issue because information will be related to image. Basically that is: how do you communicate, how you influence people's perceptions? People's perceptions are how they talk about the sport. I see that as a very important thing. Also it is related to how companies like to sponsor a sport. Image is how you are going to present the sport and how you are going to make it a sport in people's mind. How are you going to make it a sport [and promote] fitness, health, the values through the sport? It is not a problem but it is a fact that we will often get sponsorship from alcohol companies ... etc. We do have Evian and that is a different look. You have to be aware of the influence of our sponsors on the image that it creates for the sport.

He continued to stress that corporate image is tied to their membership and the image of the sponsor. He noted that the behavior of their athletes at sponsored events is also related to image.

> I found that it is our role to create the next generation that will go, not in line, but share the value that we have as an association to advance the sport. I think that is very important. It is the image that Evian promotes compared to Jose Cuervo because they are quite different. We have no control over that because we need the funding. We need the money to develop the sport so you got an image there with Cuervo [signs] all around the courts. Maybe there is the look of a little bit of fun, but there is always talk that this sport is associated to alcohol. But again, it is the same thing with pro sports - like the Blue Jays are owned by Labatts [at the time], but does that make them a bunch of drunks? - .... So we have to think about the image here. Evian, yes, you are going to drink water and you are always going to drink Evian between the rallies and in the time-outs. You are not going to drink Cuervo. You just have to somewhat have a plan of attack on how you are going to manage these different things because they have an influence on the image that we have to control.

To summarize, many of the PSO leaders felt that this idea of financial stability is achieved through cultivating a relationship with the sponsors who will influence the PSOs' corporate image. The problem for many of the leaders lies in contacting, informing, and persuading companies to support their sport. The PSO leaders who are successful in pursuing sponsorship deals are the ones who treat potential sponsors as business associates (cultivating a relationship with them) to improve their funding base. However, not all PSOs are successful in obtaining sponsorship deals (e.g., Case B),

therefore, PSO leaders have to also find diversified ways to generate funds for the organizations, such as 'user-fees', 'cost controls', and 'slush funds'.

Many PSO leaders have incorporated 'user fees' to help finance their programs. Although this strategic approach helps to cover the programs' expenses, the leaders do not wish to set a fee that will discourage people from participating in their organization and their programs. In the past, all four PSOs have had programs that have lost money, resulting in a financial burden for the organizations. Although the PSOs have since paid their debts, their financial recovery has been slow. The following discussion will examine how user-fee strategies were developed to help ensure that the programs do not lose money.

PSO leaders claimed that the more expensive the sport becomes, the fewer the opportunities available for people to become involved in their organization. Cost is also considered a limiting factor for the growth of their sport, their membership, and for sponsorship. For example, a for-profit business will not want to sponsor a PSO program if only 50 people attend the event. Cases B and C provided examples from their NSO office regarding this very problem. The lack of public profile of their sponsored events was a determining factor for the sponsors not renewing their contracts. The more people involved in the sport, the greater the chance of meeting the sponsors' needs: profile and sales. The higher the profile and sales, the more sponsors and participants want to become involved. As the leaders try to develop their programs this on-going cycle is created. For instance, a lower user-fee will attract the necessary membership. With more people participating in the program, the operating costs will be covered, and a larger participation base will eventually help to attract sponsors into the organization.

Case D leaders also believe that user-fees will impact the organization in another way. Many of the Council's technical programs are popular in schools and communities because they provide an opportunity not otherwise possible for the province's youth. Although the Council provides funding to subsidize specific programs such as the Sport Outreach Program, it is not enough to pay for all of the staff and travel expenses (e.g., transportation, gas, meals, and hotels). As a result of the Council's funding reductions, the leaders of Case D began charging a user-fee for some of their programs.

> We have started to charge a fee of $50. It is still very cheap, but it has people thinking about having to pay for the service, so when the funding does drop out, we still have an opportunity to run the program. It is not such a hard hit to the people to take part in the program to be charged a $100. Well they could say, "Well, it is $50 more" versus "Well, it was free last year."

PSOs, such as Case D, are preparing for external funding cuts by implementing user-fees to subsidize their programs. Thibault et al. (1993) would label Case D's user-fee strategy as an 'optimizing' strategy because the reputation of the PSO's other programs will minimize the risk involved with charging a fee. As the leaders continue to experiment to find the appropriate fee that their members are willing to pay, they hope that the fee will also cover the program's operating costs.

Many PSO leaders also claimed that they do not believe that an organization can be successful if they implement a 'break-even' strategy for all the programs. In the following quote, a Case D employee considers a

break-even approach as a passive strategy for an organization to use if they hope to prosper.

> ... if you are just going to break-even, I think that you stay in the same level [of services and programs] and you are not going to [grow] because it is just a perpetual motion kind of thing. I mean you are just going to stay the same and [not] go anywhere. Not to say that money takes you places but it does. If I make say $50 instead of breaking even, then the next tournament I can invest that $50 into getting a trophy or maybe getting a better facility that is going to cost $50 more. Or maybe getting more officials, or something like that. To me that is a progressive attitude and that is what the associations and businesses and everybody have to take.

Many leaders made similar comments, especially for their programs that are not funded by the Council. They believe that the programs have to support themselves if they are going to be offered. Therefore, user-fees are another way to generate funds internally as long as the leaders do not disturb the delicate balance of providing an attractive program and charging a fee to recuperate their operating costs.

Before examining 'cost control' as another approach to increasing financial resources, the following discussion looks at profit generation. One of the areas that the PSO leaders have started to focus their attention on is generating profits through business ventures. Although the very term 'nonprofit' could have much to do with the historical absence of entrepreneurship in the nonprofit sector (Selby, 1978), Drucker (1990) provided numerous examples of nonprofit organizations that participate in

projects to raise funds (e.g., the Girl Scouts selling cookies). Yet within the PSO sector, leaders have had limited experiences implementing such ventures (e.g., business opportunities within Case C). As one Case C board member claimed,

> I had someone say to me about a year and a half ago when we were making some tough decisions at a board meeting, "the trouble with you is [that] you want this association to run like a business" and I said "you're right I do because that is the only way that it is going to succeed." Maybe one of the biggest problems with [this sport] is that there doesn't seem to be a lot of business principles that lie in what is trying to be accomplished. Consequently, too much never gets done. I think that is very common in volunteer-based organizations.
>
> In my view, the major issue ... is the development and growth of the sport. I guess the way we get there is controversial. What I dislike is the tremendous [waste of] opportunities to develop the sport and in reality for [sport] operators to develop their business. But there is no interest. I think that each one of these [club] operators consider their business as their business onto themselves. I sense that there is much more interest in doing things their own way than they are [in] being productive or organized. ... I think there is potential for some business operators to be in business [within this sport]. Maybe one of the biggest mistakes is that the people are [sport] people first and business people second.

If the rumors that the Council will be reducing their funding levels significantly are true, the idea of profit generation can be an attractive funding alternative (assuming that the PSOs can limit some of the problems associated with profit generation for nonprofit organizations such as maintaining their nonprofit status and not excluding people from their PSO because they can not pay for the program and/or service).

With operating funds as limited as they are, all four PSOs have been trying to maximize their current funding level by implementing 'cost control' measures to lower their program expenses (e.g., using volunteers to run some of the programs, and using product-in-kind from sponsors). As an internal means of increasing funds, McLaughlin (1991) suggested that leaders could ask others how they reduce costs, how they review and track their own spending patterns, and implement an employee suggestion program. Tuckman (1993) considers it important to implement cost controls and have a good accounting system so nonprofit organizations can increase their chances of obtaining external funding. However, reducing costs can also result in disadvantages. One such concern is maintaining a high quality of products and/or services while controlling their costs. The following are examples of PSO strategies leading to cost savings.

Case A has passed a rule that the cost of meals incurred during meetings can not be submitted to the PSO. This was deemed as an unnecessary expense to the organization because people would be eating then regardless of the meeting. The committees within Case B submit a budget, and if approved, the PSO holds the committees responsible for any projects that are over budget. Since the leaders in Case D felt that it was more important to use the funds within the programs and not for

administrating them, they have been trying to reduce their operating costs. For example, they save paper costs by having a fax machine internal to the computer from which only necessary faxes are printed. To lower the unit price for such things as printing and uniforms, the staff members try to order items in large quantity. Case D leaders have also been trying to negotiate with their officials' association to reduce the cost of officials for their tournaments. With official costs surpassing facility costs for many competitions, the financial stability of running tournaments is in question, and currently the high costs are passed onto their members.

When asked about their cost control measures, the leaders from Case C talked about their accounting system. They have a very elaborate system that tracks every dollar the organization spends. According to one of the board members,

> We turn out financial records ... and the packages that we get sent are incredible. Probably a better accounting package than a lot of the major oil companies turn out, but at the same time, to what end? Everybody wants to know, I suppose, where every last dollar went. Well, it is reported in a fashion that [is] probably way too expensive and time consuming. I think some practicalities have to be acknowledged here, and those are some of the things that we are trying to do. When we first went on a computer system in the mid 80's, I think one of the members of the association said "Well, I'll set you up with all the computerization that you need". But it was all very distinctly programmed and not user friendly in any way what so ever.

The board member went on to state that many things in the organization are so ingrained, that making changes is not easy. What PSO leaders really have to do is answer questions regarding how much cost control do they have, where they can reduce costs, and what types of accounting information is really necessary. Once cost cutting decisions are made, the amount of saved funds can be used to contribute to a 'surplus fund' as they prepare their organization in becoming financially self-sufficient.

When considering the difficulties in obtaining external funding, building a 'slush fund' is the easiest internal method of raising capital for the future of the organization. In Wolf's (1994) discussion on the criteria for a successful strategic plan, he suggested the use of common sense - a point that is sometimes forgotten. Although putting funds aside for the future may be difficult for smaller organizations that are struggling to survive, Tuckman (1993) suggested that saving money for the future will also help in securing funds from external sources. Sponsors are more willing to work with a nonprofit organization that is established and financially stable, and if they do sign a multi-year deal, they want to be confident that the organization will be able to fulfill the contract.

Since all the organizations in this study have finished paying past debts, they have been slowly placing a certain portion of funds aside each year for a 'surplus or slush fund'. According to Tuckman (1993, p. 230),

> At a minimum, all nonprofits have a potential ability to gain access to capital through their ability to budget a positive surplus and to accumulate funds through time. Such surpluses provide both an internal source of funds and evidence of financial strength and fiscal soundness that increase the chance

> of obtaining external funding. It is not easy for some nonprofits to embrace the idea that they should hold some of their scarce funds in reserve rather than spending them to meet immediate programmatic needs. Nonetheless, the accumulation of equity through prudent financial management should be a goal for any organization that wishes to retain the confidence of those it serves.

Although funding decisions can be difficult, this type of internal fund raising is one of the more controllable and simplest methods of increasing funds. The difficulty is in deciding which programs will sacrifice a portion of their funds for the surplus account. All the PSOs in this study have started this practice of building a surplus account. As mentioned in Chapter Four, Case A has been the most innovative in this regard and therefore has the largest surplus fund, followed by Cases D, C, and B. This ranking is based on the number of years of placing funds aside and the size of trust fund.

Although Case A operates their slush fund similar to the other three organizations, they have also taken the initiative to develop a separate Foundation for the sole purpose of raising funds for the PSO. The Foundation is basically operated by the same group of PSO volunteers, however as mentioned in Chapter Four, the money has not been transferred to the PSO's bank accounts. Of the other three PSOs, Case D is the only one financially stable enough to begin a foundation. The following quote from a Case D employee addressed the issue of setting funds aside and the plausibility of their own foundation.

> I think we have a surplus of $25,000 which means in an organization of this size, I don't think that is a healthy surplus.

> You still run into cash flow problems with that much surplus [because] you dip into the red into certain accounts during the year. But now that we have a decent [amount], and hopefully with a surplus above $50,000 we can start [opening] term deposits. Guaranteed things that we can start putting away, and ... lock it away and try to develop some sort of fund for the future - that I'm sure is not too far away. I know that the Sport Council has a foundation where they will match the amount of money you put in. So once we get to a point where we have a healthy enough surplus to last us through the highs and lows of fiscal year, that would be ideal.

Although they are planning to build a foundation, the leaders within Case D are concerned about how the Council would react to such plans. The Executive Director is asking questions such as "How are they going to appreciate that type of strategy?", and "Are they going to cut our budget because we haven't spent all of this money, or that we have a surplus?".

The PSOs that will survive in the future will be the ones planning today to become self-sufficient through external (e.g., Council and sponsorship) and internal (e.g., user fees, cost control, and surplus funds) sources. Whereas this section focused upon funding and its influence on the PSOs' strategic initiatives, the next section will present another contextual factor, membership, and its influence upon strategy formulation.

(b) <u>Membership Issues:</u>

Members have been and continue to be a critical component of all PSOs. For many of these organizations to continue to operate in the future,

professional and volunteer leaders have to work to enhance their programs to attract new members into their sport and the organization. The purpose of this section is to present the reader with a comparison of the PSOs' membership strategies developed to increase their membership base as they try to meet their members' needs and try to ensure that the costs (e.g., affiliation fees and equipment) associated with the sport are minimized.

All the PSO leaders interviewed stated that they wanted to increase the number of registered members within their organization. As the cases within Chapter Four described, the demographics (e.g., age of the members, type and cost of programs) and the membership types (e.g., elite versus recreational athlete, coach, official) continue to change the nature of the membership base of each organization. For many PSOs the nature of the membership is altered when you consider that a member can register for one or more categories (e.g., Case B members could register as a coach, official, and under three competitive disciplines as an athlete). The following table summarizes the membership figures for each PSO, and describes the stability of their membership base.

Table 5: Membership Size and Trends Per PSO

PSO	Membership Size	Trend
A	5,000	consistent
B	570	varying
C	1,000	varying
D	4,000	increasing

As mentioned earlier, the membership base of a PSO has to grow, or else as current members retire from the sport, the leaders will face a declining number of participants in their sport. For example, the leaders in Cases B and

C have been working to attract new members into their organizations to 're-populate' certain membership categories.

According to a Case C board member, over the years the 'middle age' membership category has declined. Although the sport experienced tremendous growth in the 1970's,

> ... the association faces one of the biggest problems which, [the sport] as a whole, is facing - namely growth. What has happened is that there has been a decline in the number of people [participating] in general. But by the same token, what has happened is those same people who made the boom in the 70's are now 40-45 years old. What we have seen is [that] there is still a very, very large group of people in that age group which now forms part of the competitive sport. [There] is still a large number of juniors participating at the highest [ability] level - we also have a very high group of over 35's to over 65's who are participating very actively. What has happened is that it is the 'in-between' [group] that we have lost. So there is a gradual collapse in the number of people participating in the sport. I think that is a major challenge for [the PSO] and for [the sport] in general.

The PSO leaders have been working to meet the challenge of increasing the number of people between the ages of 20 to 35 through the programs that were described in Case C. The leaders have observed that the number of recreational athletes in the province has been increasing. Therefore, the leaders have concluded that they are meeting the challenge and that "the game's popularity has not suffered". However, they also concur that the

organization has not been as successful in recruiting recreational athletes into the PSO's programs. The leaders felt that if they can recruit these athletes into their programs, the organization will benefit in both the short term and the long term. The short term advantages include the number of recreational players joining the PSO, and the long term advantages will be realized when the children of these recreational players join the organization in the future. As mentioned in Chapter Four, Case C leaders are currently investigating and experimenting with innovative programs from other provinces to attract new members, such as Nova Scotia's Parent-Child program.

PSO leaders are looking for a competitive edge by offering programs that will attract new members and develop the sport while keeping it accessible to the general public. Greenberg's (1982) argument that a competition can develop among nonprofit organizations can be applied to PSOs. For example, the above comments by a Case C board member implied that they are trying to develop new and creative ways to draw recreational people into their association while maintaining their current elite membership. According to Thibault et al.'s (1993) framework, Case C resembles an organization with a strong linkage to the competitive members and a weak linkage to the recreational members. Another example of the competitive nature of the PSOs was provided by the leaders in Case D. They developed two programs (tiers one and two) to service members who had time conflicts with school athletics but were still interested in joining the association. Since the 1993 tier two membership figures equaled the number of tier one participants, Case D leaders felt that they were successful in serving the needs of members in tier two who may have otherwise been excluded. In this instance, the established membership base could fit into

Thibault et al.'s (1993) framework because the leaders are searching for ways to include different groups, such as the tier two athletes, into their membership. Although Case D is not in direct competition with other organizations (e.g., schools, community groups, other PSOs), there is an internal competition within the PSO as leaders try to increase their membership base by designing programs that meet the needs of both high performance and recreational athletes. However, as discussed next it is difficult to assess these needs because the membership consists of many different groups who have a variety of different needs.

Membership Strategies:

Nonprofit organizations usually do not have the luxury of dealing with one dominant constituency (Drucker, 1990). Within the PSO sector, some leaders try to increase their membership base by offering different types of programs to meet the needs of different members (e.g., gender, age, recreational, high performance). The following examples illustrate the different types of issues that PSO leaders face when trying to serve multiple groups within their membership, and the strategies they employ to address these issues. As stated earlier, many PSO leaders realize that there are more people participating in the sport than there are members within their organization. The leaders of Case A felt that it is important to try to find out who these other participants are, what their needs are, and how the PSO can fulfill those needs. One Case A leader suggested that,

> Clearly our sport has quite a large profile as reflected in the press [coverage] we get and our overall profile in the sporting community and Canadian life in general. So there are

> people out there that are interested and, I mean when a Canadian wins a World Cup, it is front page news in [newspapers such as the] Calgary Herald and [the] Edmonton Journal. How much penetration we can make [in that audience], I don't know. We are trying to develop a package that makes it attractive for those folks who want to become a member of our organization. But clearly the more members we can show, the better it is for government. The better it is to attract sponsors into our organization. At the same time, in some of our [facilities], we also have a problem in handling the growth. We have some of our smaller [facilities with] entry-level programs that are 'maxed-out' and [they] feel that they can't take any more people into the program. Well, that is clearly an issue because you are turning away potential members or people who want to be members of your association. If they could walk across the street, that is not an issue. But if the next [facility] is 30 miles, then maybe it is an issue. So we have to address that.

Along with considering the needs of all members (e.g., elite versus recreational athletes), the above statement illustrates how many of the contextual factors influence each other. In this instance, membership issues are inter-related with Council funding requirements, sponsorship possibilities, and growth of the number of participants compared to the availability of local facilities.

Drucker (1990) argued that nonprofit leaders have to make decisions based on information - though unfortunately this is not always the case. PSO leaders expressed a similar concern about gathering and using information

when trying to meet their members' needs. For example, a Case D leader, who is guiding their strategic process, stated that it is critical that the leaders try to evaluate their organization based on information. He wants to balance how they make decisions, in that, they have been relying on intuition and now wants to add statistical data into their decision making process. PSO leaders can collect information in many ways: informal conversations with members, statistics, provincial and national surveys, and other external sources. Although the accumulation methods vary, the leaders need to base their decisions on statistical information and intuition.

Authors such as Drucker (1990) and Mintzberg (1994) argue for the value of intuition within the decision making process. As discussed earlier, time is a scarcity in smaller organizations and decisions are based on intuition because accumulating information can be a time consuming process. For example, Stone (1989) stated that there is evidence that nonprofit organizations, that do not use a planning process, are the ones that are relatively young and with smaller budgets compared to older ones with larger budgets. This is consistent with the findings within this study, for example, Case B is a young organization with a small budget compared to the other cases. With limited resources (e.g., financial, time, human), the organizational leaders in Case B are making decisions based more on intuition that information. Therefore, when PSO leaders establish how factual and intuitive information is collected (e.g., as part of the daily operations or only when it is needed), some of the problems such as in Case B "going around in circles" and Case C "patchworking" solutions, will be reduced.

Before assessing the needs of the members through statistical and intuitive information, PSO leaders have to have a clear understanding of who

these members are. For example, a Case C board member stated that they have nearly completed their discussions as to what constitutes a member with their provincial counterparts and the NSO office. Once the definition is agreed upon, they believe that they will be able to proceed in the assessment of potential members' needs, whether it is elite or recreational participants, young or adult members, ... etc. Within Case A, the leaders have been focused on the elite members for a number of years and therefore they have been assessing the potential of facilities around the province as training sites for elite athletes. Although a majority of the cities in the province have recreational facilities, good training facilities are not easily accessible to all the elite athletes in the province. Only those athletes living close to Alberta's mountainous areas have the advantage of excellent training facilities. Training is a concern for those people living further away from the mountains, and PSO leaders have been looking into ways to help them with their training needs. Since there has only been two new mountain-based clubs established over the past ten years, the number of opportunities for elite athletes to train at world class facilities are still minimal. Most of the newer city facilities that have been built throughout the province are recreational in nature. Currently, the elite athletes who live further away from the mountain training facilities are simply trying to use the city facilities and/or travel to the mountains when they can afford to do so. However, many recreational athletes face a problem because many of the city facilities are 'filled to capacity'. Therefore, with the Case A leaders clearly defining who their membership group is, they feel that they will be in a better position to address the training needs of their membership.

Whereas the Case A leaders are trying to meet the needs of a defined group of members, Case B leaders are working to improve the safety conditions for their younger athletes. Safety is an issue within the off-road discipline as the speed of the racers and the rough terrain of the race course can become dangerous when the safety rules are not observed. Although the off-road discipline can appear hazardous, it is the traditional discipline that is known to be more dangerous. Within the sport it has a reputation for danger because the traditional competitions take place on traffic roads with a larger group, while the off-road competitions are on trails that are closed to motorized vehicles. Very seldom are the roads closed for a traditional racing event; a factor that causes many parents to reconsider placing their child into the PSO's programs. Therefore, Case B staff members are trying to address the needs of their membership by working with hospital groups and government agencies to increase public awareness of defensive driving as well as working to ensure that their members are qualified to complete (e.g., have the necessary skills to participate within a group).

Another way that Case B leaders have tried to serve the needs of their membership is by developing an ability-level program similar to the one used in Case A. This racing program allows competitors, regardless of age, to participate within their ability. Before ability-level racing events were offered, athletes who did not have a high skill or fitness levels were not able to compete with the top athletes throughout the race. The slower racers eventually became discouraged and stopped competing. One board member described the skill and physical abilities that are necessary to be a competitive athlete in the following manner. Athletes train for fifteen to twenty

hours a week, and when they reduce their training to ten hours a week, their fitness level suffers significantly. He claimed that,

> This may not seem like much. Ten hours should still be competitive in many sports, but if you lose, even five percent of your fitness, you can no longer be involved in the pack that comprises the action of the race. If you are out of that pack, there is nothing else ... now you are fighting the wind all by yourself in the hot sun in Lethbridge (for example), so you won't finish. You won't finish just five percent behind the winner, you'll finish twenty percent behind the winner because you are no longer behind the pack. You no longer have the benefit of the reduced wind resistance. ... It is very unforgiving. Small decreases in fitness result in huge decreases in performance. For people who never make it in the highest category of racing, it could be a very disappointing and discouraging sport. You are never involved in any of the fun. There doesn't seem to be this component in [the sport] of personal achievement that there is in triathlons [because] previous performances don't matter because it depends on conditions and the tactics of the races.

To keep people involved in the sport, the board decided to introduce ability-level racing so that members, regardless of their age, could compete with athletes of a similar skill level. Although this program has only been in existence for one year, Case B leaders hope that the members will enjoy the competitive aspects of the events enough to stay in the organization for a longer period of time.

Addressing the needs of competitive and recreational athletes through programs such as ability-level racing in Case A and B is a critical issue for many PSOs. It is critical because all types of athletes have a certain level of dependency, in that, competitive athletes are highly dependent on PSOs. This dependency is based on the athletes following the PSO's guidelines to win the provincial championship which will allow them to gain access to compete at the national championships. Recreational athletes, however, are not dependent on PSOs because they do not need the services of these organizations to participate in the sport in a leisurely manner. If PSO leaders continue to focus upon the competitive sector of the organizations, then their membership base will slowly decline because the organizations' financial resources limit the number of elite athletes involved in their programs. Therefore, if the PSOs wish to increase their membership base, they need to pay closer attention to the needs of a vast recreational market.

Although PSO leaders are trying to address the members' needs within their elite and recreational groups, they are also trying to act as a liaison between the membership and the NSO. This relationship with the NSOs has caused difficulties in the past. Many of the statements from the PSO leaders confirm Macintosh and Whitson's (1990) conclusion regarding the conflict that results when PSOs try to meet the needs of region and produce elite athletes. PSOs are continually balancing the production of potential elite athletes for their corresponding NSO, as well as the development of the sport in their province. Of the four PSOs involved in this study, Case C leaders have been actively working with their NSO to address some of these membership concerns. For example, a board member summarized their NSO-PSO directive as such.

> ... one of the things that [the NSO had] focused on for a long time - and indeed to a lesser degree [the PSO] - is taking a very small group of elite athletes and trying to push them through to national or international prominence. Now those were pretty lofty goals, and of course, everybody who played the game thinks that winning is the only answer. But I think that the conclusion that we have come to now - both on a provincial and a national level - is that we should be more broadly based in our intent. What about the senior player? What about the B players? What about the family players? What about all these people that are part of the sport and interested in the sport and enjoy the sport - perhaps love the sport - but don't have a goal of being a competitor at those elite levels?

When asked to expand on this membership issue, the board member pondered on the point for awhile and noted,

> When you look at it at the junior perspective, which is what [the PSO] has focused on for a long time, you got a collection of twenty boys and twenty girls, and perhaps even less than that, who are having a pretty high level of success at the national level - and some internationally - out of Alberta. That gives us great pride, and yet at the same time, I think that everybody else who owns a [PSO] card is saying "Hey, what about me? Where do I fit in?" For the most part, I think the answer that we have given them is "you don't but thanks for your support".

When asked if they can successfully change their elitist focus, he responded by stating that many of the PSO's leaders are determined to see it changed because it was wrong to be so heavily focused on one group and to ignore the others. He continued to explain that,

> To me we have also discovered something else, and that is that if we back off on the financial support and just totally orient towards the juniors, nothing really happens. The parents just pick [the costs] up which they have always been prepared to do anyway. So that is a feature in itself. There is also a perception that [the sport] is an elitist sport. I think that perception still exists. To some degree, I think that it is more than a perception. I think that it has legitimate side to it ....

The focus on elite athletes was also evident in the other three PSOs, resulting in the recreational athletes questioning why they need to join a PSO. As PSO leaders assess and recognize the needs and concerns of all of their members, the leaders can work to balance the needs of their NSO (e.g., producing potential elite athletes) with the needs of the PSOs' mass participants by offering programs and incentives that attract people of all (non)competitive levels into the PSOs. Along with offering programs for all types of members, PSO leaders are also investigating how the cost associated with joining an organization influences the membership base. The following discussion provides a description of how the costs (affiliating and competition) are linked with membership, and the strategic initiatives employed by the PSO leaders to address the issues associated with these costs.

Although the PSOs offer similar benefits (e.g., newsletters, technical expertise, insurance, and competitions), what sets them apart from each other is the nature of the sport (e.g., team, individual, ...etc.) and the types of programs offered to members. Many of the PSO leaders believe that cost is another factor that can influence a person's decision regarding whether to join an organization. It is the affiliation fee that PSO leaders have the greatest amount of control over compared to the competitive costs (e.g., equipment and travel). Before the leaders can consider adjusting their membership fees as a way of attracting members to increase the organization's financial resources, they need to consider other factors such as club, equipment and travel costs. These costs have to be considered because other than the type of sport and its benefits, a person's decision to join the organization is also influenced by the total cost for participating in the sport.

The PSO leaders are also concerned about the operating costs of their programs, in that, they have to ensure that the programs are operating at a level where the organizations can recover the associated costs. Trying to increase the PSOs' financial resources through membership fees may not be realistic because the affiliation fee may discourage people from joining the organization if the participation cost becomes too high. All the PSO leaders claimed that they have to monitor factors, such as the local club fee structure, before changing their membership fee schedule. If they do not take all the costs associated with the sport into consideration, then participants will be paying higher fees at all levels of the sport. If care is not taken to monitor all the costs involved in participating in the sport, researchers such as Porter (1980), would be correct in labeling these costs as an entry barrier for new members of an organization.

The following table provides an average affiliation fee for a competitor and general member within each of the four PSOs.

Table 6: Average Affiliation Fee for Competitors and General Members

PSO	Affiliation Fee (Competitor)	(General)
A	$25	$16
B	$33	$30
C	$10	$10
D	$22	$20

As stated in the last chapter, all four PSOs have different membership packages to fit the needs of many different membership groups. The average membership fee for Case A was based on four age- and skill- groups (ranging from $7 to $160). The fee for Case B was averaged from nine different membership packages available (five age categories in the traditional discipline and four categories in the off-road discipline), and Case D's averaged membership fee was based on a total of thirteen competitive categories available to members. Finally, the fee for Case C was the only one not based on an average. Many Case C leaders stated that the fee was set at one low amount to attract new members, however, the number of new members has not increased according to their predictions. Therefore, Case C leaders are evaluating the idea of increasing the fee to its original price of twenty dollars to increase the amount of funds available to meet their programming expenses. Although the affiliation fees constitute a small percentage of the total participation cost, the competition expenses (e.g., equipment and travel) are the largest financial burden for the competitors.

As mentioned in Chapter Two, the competitive costs are broken down into two categories: equipment and travel. Unlike the affiliation fees, the

equipment costs and travel amenities are subject to market forces thus leaving the PSO leaders with no control over the setting of these costs. The type and cost of equipment that members need to participate in the sport could result in an entry barrier for people who want to become involved in the sport and organization. This cost will also vary with the type of athlete (e.g., elite versus recreational) as the specialized equipment becomes expensive when athletes move to higher levels of competition. Within this study, Cases A and B received the highest ranking in terms of equipment cost. These costs for Cases C and D are considerably lower and as such these organizations exhibit what Thibault et al. (1993) term as having a strong competitive position, while Cases A and B have a weak competitive position.

Case D has an advantage over other PSOs in that they are meeting the needs of many parents who are concerned with providing their children with a learning environment with the least amount of initial costs. In their efforts to ease the financial burden for the equipment costs in Cases A and B, the leaders are encouraging entry-level members to consider two ways of reducing their initial expense. First, the PSO leaders are encouraging new members to purchase equipment after asking experts (e.g., PSO staff or members, veteran PSO members, ...etc.) for advice regarding the latest equipment. Second, the leaders are encouraging new members to initially purchase 'used' or 'second-hand' equipment thereby restricting their costs. Case C leaders offered a third way to reduce the initial equipment costs. They are considering the idea of collecting old equipment from members and clubs and then donating them to new members and schools. Although their old equipment may need a few minor repairs, they are still salvageable and can benefit other members. Case C leaders also believe that the PSO can use the

old equipment as a fund raiser for the organization. To maintain their competitive positioning, Case C leaders are developing innovative strategies to address their concerns about equipment costs that persist as an entry barrier.

Although new equipment can be expensive, the costs can be minimized with any one of the three suggestions listed above. Many of the leaders felt that reducing the equipment costs is important because the travel costs associated with competitive sports are also very expensive. The costs associated with traveling to a competition account for the largest expense for members. The following comments from the President of Case A illustrate the concerns that the leaders have regarding the travel expenses incurred by their members.

> ... parents saying "gosh, I know my kids, if they do really well at these races, they will be in-line to go to this next race But this next race is [across the country] and it's going to cost us $1,000 but we won't have the $1,000 so - here I am - as a parent hoping my child does well but then [wondering] how am I going to get the $1,000?" That is a problem ... keeping cost under control and attracting [members] into our sport. But it is perceived to be a bigger problem in [our sport] than in other sports so ... we have to deal with the reality of the ... actual costs, and how we can control them. That is an on-going battle.

It is important to remember that the travel costs will vary according to the athlete (elite or recreational), the number of competitions per year, the distance of the competition location, where the sport is a team one or an individual one, and the age of the competitor. For example, to attend a two-

day competition 200 kilometers away, a person needs to pay an entry fee, transportation, lodging, and food. The travel costs can become very expensive when there are five to ten competitions in a season, and/or the athlete is under the driving age. In other words, travel costs will increase when an adult accompanies an athlete to all the events. In addition, when considering the opportunity costs for adults taking time off from work to travel with their children to competitions, the travel costs increase substantially.

There are also opportunity costs for young elite athletes. The opportunity costs for elite athletes can become very high as time is taken away from their education, friends, and family. Historically, the education of the athletes in Case A was ignored, and now it is a vital part of the athletes' development in the elite programs. A board member described the integration of education within their sport as,

> ... you have to deal with education in our sport because of the travel. We have an academy in the province now [where] tuition including race fees, school and so on, is $24,000 a year! Obviously that is only for the very affluent. We have a sport school now, that CODA has started, in Calgary that is a very good initiative for the start and much more affordable because clearly education and athletics are a very large concern. Ten years ago we used to ignore it but then it used to become such a stress factor for the athletes. I mean their friends would be going to university and they were still in grade nine, that it would affect their athletic careers, so we backed off on that and sort of brought them up side by side. But it is a very large concern in how you deal with [that type of] cost.

The partnership with certain schools within the province is an important step towards their strategy to develop a well-rounded elite athlete. Education for high performance provincial athletes is important because, according to Macintosh and Whitson (1990), Canadian educational institutions are used primarily for educational and recreational goals, and not for developing high performance athletes. Nevertheless, there are very high tangible (e.g., equipment and/or travel) and intangible (e.g., education) costs for the members of the PSOs.

The purpose of this section was to present a comparison of the PSOs' membership strategies that were developed to increase their membership base by assessing and meeting the needs of their members, maintaining a low membership fee, and finding ways to minimize the affiliation and competitive costs. The next section will compare the volunteer and promotional strategies of the four PSOs.

(c) Volunteer and Promotional Issues:

Nonprofit organizations such as PSOs can not survive without volunteers, therefore the organizational leaders have been trying to find ways to attract volunteers into their organization. Since people can choose from a wide selection of nonprofit organizations, the leaders are competing for volunteers who can donate their time and services to help (Rauner, 1984; Hay, 1990). With a constraining economic environment in Alberta, and indeed across the country, many people are looking for additional dollars (e.g., part-time employment) or working longer hours to increase their chances for financial stability. Therefore, along with a high demand for volunteers from a large number of nonprofit organizations, leaders are faced with the fact that

many Albertans may want to spend more of their limited free time with their families or in part-time jobs rather than donating it to nonprofit organizations.

Although volunteers have different reasons for becoming involved such as power, prestige, family involvement and interest, the reason nonprofit organizations need volunteers is that they can offer different types of resources to the organizations, such as human, financial, and technical (Perrow, 1970; Mason, 1984). Volunteers can also provide leadership (e.g., as board members) and recruit other volunteers (Drucker, 1990). With volunteers contributing different types of skills, the organizational leaders will be able to assign volunteers into different areas of the operation (e.g., in the PSO sector volunteers can become officials, coaches, and board members). Although Thibault et al. (1993) stressed the importance of coaches as a vital part of the NSOs' volunteer support network, parents and board members are equally important at the provincial level. Along with volunteers, promotions provide another way to increase the support and the visibility of a nonprofit organization. However, amateur sports (e.g., NSOs and PSOs) have had a difficult time generating promotional support and interest from media representatives. As described in Chapter Four, Case A is the only organization to achieve ample media coverage. Although the media coverage (e.g., print, television, and radio) of their international events is quite extensive and world renowned, this type of coverage is not the norm for most PSOs. This section will describe the volunteer and promotional issues facing PSO leaders, and how these contextual factors influence their strategic initiatives.

Volunteer and Promotional Strategies:

As stated earlier, there are many reasons for a person to volunteer their time (Rauner, 1984; Hay, 1990). When asked about their largest volunteer group, PSO leaders from Cases A and C stated that they rely heavily on parents for many of their developmental programs. The volunteers in Cases A and C help with tasks such as board and committee functions, event management, and officiating. Case B and D leaders, on the other hand, would like to try to involve other groups of volunteers into their programs (e.g., retirees and youth groups) because a majority of the parent volunteers are supporting their child's club programs.

Much of the discussion from the board members who were interviewed suggested that they were not properly trained when they first sat on the board and hence problems arose for them when they were assigned projects. Only after completing the project did they begin to understand the organization's mission, goals, programs, procedures, ...etc. For example, the PSO leaders in Case D have not trained a board member in three to five years because of the low turnover rate on the board, and therefore training became a problem when the organization changed its board structure. After joining the board, a new member had this to say regarding his training:

> The board needs orientation. I know because when I got there six months ago, it was fuzzy. Very fuzzy and still today, I'm still asking for a summary of the programs. I want to know what we are doing. I haven't seen a thing! I am meeting some of my needs by doing the strategic plan and then I'll give more direction on "well, we need an orientation when we come here. We need to know what this mission is all about. We need to

> know our values. Need to know about our programs, so I can talk about it and I can sell our association and represent it well too." Right now I'm not in that position (maybe a little bit because I am friend with the [Executive Director] so I am finding out what is going on and I have a general interest). I am lucky this way but I don't think it is the same for all of the other executive members.

A training program will help those who are new to the organization understand the rationale of the organization's policies and procedures.

PSO leaders have claimed that they would like to improve the training environment for their volunteers (e.g., board members and parents). They felt that after a training program the volunteers could perform their assigned responsibilities and understand the organization's mandate. For example, whether it is setting policy, fund raising, hands-on operations, obtaining resources, or other tasks, board members need to be informed and given direction to properly fulfill their task. If this does not take place, it could lead to the types of conflicts that are found at the NSO level as described by Macintosh and Whitson (1990) and Slack, Berrett and Mistry (1994). The previous chapter presented some of these concerns that have already taken place within the boards of the PSOs involved in this study: recruiting problems for Cases A and B, training problems in Case D, and a lack of production from certain board members in Case C. As a result of prior difficulties with their volunteers, Case A is the only one out of the four PSOs to have developed manuals for each board position and each event management position.

One sector of volunteers that receives a formalized training program is coaching. Leaders in Cases A and D offer many more coaching development

programs in comparison with the other two PSOs, however, all the PSO leaders stated that they would like to improve the level of coaching in their sport. The following comments are from a Case A leader comparing coaching in his sport to other sports.

> [Swimming has] a lot more science supporting their sport than we currently have. They have a better system for developing their athletes and their coaches. There are obviously some coaches in the country who would disagree with that. [Although] we have been successful internationally in our sport, I don't think we have anything like the excellent program that hockey has had in place for the last half a dozen years or so now. We don't have the same background of scientific information that coaches can draw on. "What are the fitness requirements for a 14 year old athlete, or your average 14 year old athlete (15, 16, 17, 18 and so on)? How do you train them? What level do you bring their fitness level to, to improve? What do their pulses have to be, for how long a time? What sort of strength ratio do we need between upper and lower? How do you make a faster turn?" We don't have anybody working on [a sport science such as sport psychology] in our sport like you see in swimming. Swimming is a great example because ... I mean it just seems to be in the universities and the universities around the world working on building that body of knowledge. We don't have that in our sport.

A majority of the interviewees stated that they believe coaching is still one area that they hope to improve on through a better understanding of science,

management, and leadership. As the field of coaching improves, the PSOs will be able to offer more training courses, such as the NCCP seminars, that will help to develop their coaches' expertise. For now, to supplement their training, all four PSOs have a policy of encouraging national team athletes and coaches from Alberta to work with the up-and-coming elite athletes and coaches.

Training programs are not limited to volunteers. The salaries in the PSO sector are not comparable to the private sector therefore high turnover is common in many PSO offices. To attract employees to their organization, the PSO leaders interviewed claimed that they would like to offer more development opportunities (e.g., management training) to their staff members. However, Case D leaders were the only ones to mention that they do offer professional development opportunities for their employees. As noted by a board member, they hope that when they create these types of opportunities for their employees, it will generate a willingness among the employees to improve their professional skills.

> A lot of the 'people skills' are very, very important in the [PSO]. They have to be able to relate and be able to sell the association by who they are (and a lot of these technical skills could be taught). We have to put more thought into training, computer skills and things like that. Again, I would like to have more employees that have this 'will' to learn on their own, a will to learn at work because the challenge with small organizations is - I don't think a lot of the [formal] courses will give them what they need to learn on the job. They need more support and more [of a] 'coaching style' at the managerial level because the

> situation is so different. I mean we are very small office but we are faced with finance and marketing [situations]. I mean you [have] all the major departments of a large corporation in a small little office and you [have] a product to sell.

A Case D staff member also discussed the importance of staff training within the organization, especially in relation to technology.

> I think, one of the biggest things that will help [serve our members] will be better use of technology. This is sort of a general item that would really have an outstanding effect on training our people on computers. Having better computers, having better use of a database, better use of fax modems, internet or whatever. I think that is a big [point] because technology is totally related to communication and being able to promote our sport to the people that are playing.

This PSO's strategic initiatives support employee training for skills such as sport related techniques, computers, sponsorship, accounting, ... etc. The goal for this type of strategic initiative was to increase the productivity of the office staff. Many of the PSO leaders believe that after employees and volunteers (e.g., parents and coaches) attend an orientation and training session, they will be able in a better position to fulfill their tasks and understand how it fits within the organization's mission and its programs.

With a good orientation program and clearly defined roles, all volunteers can help move the organization further towards fulfilling its mission. However, all the interviewees claimed that recruiting and maintaining a volunteer base is also a critical strategic issue for their PSO. When considering the size of their volunteer base, Case A has the strongest one. To

boost Case D's volunteer base, a staff member has been trying to 'market' volunteerism within his association.

> You really have to sell the benefits [of volunteerism]. You can't sell a product, [but you can] sell benefits of the product. "Hey, come get involved for this tournament this weekend. You get to be out in the sun all weekend. You get to have free water from the sponsor. You get to have a free t-shirt. You get to see the greatest [competition] around. You get to meet all these people, come out and volunteer just one weekend or a couple of hours of your time."

As described in Chapter Four, Case D leaders have tried to improve their ability to meet their volunteers' needs through some creative strategies. Authors, such as Rauner (1984) and Drucker (1990) also encourage using creative types of recruitment techniques. According to many of the PSO leaders, if potential volunteers are presented with the advantages of being involved while their needs are taken into consideration (e.g., time commitment), then the organization will increase its chances of attracting volunteers into their support network.

Many of the PSO leaders mentioned a point that was similar to the one argued by Rauner (1984), namely, when volunteers are thought of as another constituent of the organization, who have needs that have to be satisfied, then the volunteers' needs have to be addressed during the recruitment process. For example, a Case D staff member asks questions to assess the needs of the volunteers. Although the questions could be asked through a formal questionnaire, he uses informal conversation to find out what the needs are of

potential volunteers. The following is a list of some of the questions that he uses during his assessment process:

- What areas interest you to volunteer?
- Which specific activities would you like to do?
- Would you like to volunteer once, on a long term basis, or just at certain events?
- If you have volunteered before, what types of activities have you done? What did you enjoy doing the most?

With a little research, a position can hopefully be tailor-made (based on the number of positions available) for each volunteer so they can enjoy the task or the time they commit to the PSO. As mentioned earlier, once volunteers have signed up to help with the PSO's programs, the leaders have to implement an education and training program for the volunteers. Volunteer training is important because people who commit to organizations have certain expectations, for example,

> "Because I am a volunteer and doing something gratis for others, I am doing something good in itself, and anything I do in this role must be good". Frequently this reasoning leads to the assumption that, as a donor of services, I have the right and even the obligation to determine the nature of those services. If I am to determine the nature of the services, then how does my determination become integrated with that of others like me in the organization? More important, how do I determine whether the services I design are needed or are the best. To whom am I accountable? (Selby, 1978, p.95)

Without a training program, such assumptions can lead to organizational conflict as reported by Slack et al. (1994).

Although board members may come in with certain assumptions and ideas for the future of the organization, difficulties can also arise when they solely focus on a single issue. For example, a majority of the board members in Cases A and C are parents, who have children in the elite programs. With the leaders within the sport focused on elitism, it is not surprising that the board members' decisions are heavily influenced on high performance goals. As mentioned in Case A, working towards becoming the best racing program in the country should not be thought of as 'bad thing', however there is a definite need to have a balanced focus for the members who are in the sport for recreational reasons. To increase the PSO's membership, the leaders need to focus on finding ways to draw volunteers into the recreational side of the sport (e.g., parents involved in the entry level programs). Macintosh and Whitson (1990, p.121) argued that "thinking differently requires some exposure to alternative discourses, which allow us the possibility of making new connections and envisioning different roles for ourselves". Therefore, the PSO leaders need to be exposed to different points of views from all of the various aspects of the sport: technical, managerial, elite, recreational, coaches, athletes, officials, gender, disabilities, ethics, provincial, national, ...etc.

PSO leaders can expose themselves to people who have different types of skills and backgrounds by recruiting volunteers who have different types of strengths. For example, from a business perspective management has to base their decisions from determining their core competence (Prahalad and Hamel, 1990), and if the expertise is not within the organization's domain, then they can learn from external sources (Unterman and Davis, 1984;

Prahalad and Hamel, 1990). An employee of Case C suggested that the PSO Executive Directors are required to bring multiple skills to the organization.

> ...some of the offices have Executive Directors or Program Directors [that] literally [have] taken over budgeting, newspaper, accounting, marketing, advertising, coordination of board activities, programs, services, coaching, [so that] everything is in their hands. They are just over worked and under paid and burning out fast.

A skill that is lacking in many of the PSOs is developing a strategic plan, and to help them in this area, PSO leaders have been looking to volunteers to lead them through a planning process. Case A had their Executive Director and a board member work together to guide the other leaders through their strategic exercises, and Case D recruited a new board member onto the board to guide the other leaders through the planning process. Case C went through its own strategic process with the assistance from an external volunteer (a NSO representative). The initiatives from Case B were also designed by volunteer committees that were able to plan programs according to the registration fees of the membership within each discipline (e.g., recreational, traditional, and off-road).

Tuckman (1993) provides a similar argument, in that the nature of the board should consist of different constituents to become exposed to alternative ideas and needs. He suggested that people with business experience should be recruited to nonprofit boards to balance the range of expertise and knowledge of their boards. Throughout the interviews, PSO leaders have indicated that they are operating more 'like a business' as a result of their attempts to recruit people who have corporate experience onto

their board. However, leaders need to keep in mind that many business-oriented volunteers bring assumptions to the nonprofit boards that are not necessarily true within a nonprofit environment (Bennett and DiLorenzo, 1989). According to Mason (1984), the staff and board members need to remember that the organization may need 'better management skills', not 'business-like' management. Since the goals of a nonprofit and a profit organization differ, not all profit-type decisions will be applicable to nonprofit organizations. Hence, it is important to stress balance and flexibility by using management 'principles' and not its 'practices'.

Drucker (1990) offered an example of the benefits of using management 'principles' and not its 'practices'. Many profit organizations abandon a project or service if it is not effective, however the effectiveness within nonprofit organizations is less clear and many people rely on the programs that are offered. Therefore it is harder to simply abandon a program. The point is not to follow the management practice of abandoning a program if it is not effective or meeting a goal, but instead to use the management principle of defining the measures of effectiveness that will help to determine the type of programs offered. For the PSO leaders examples such as these stress that new ideas are available by keeping an 'open mind' when looking or listening for solutions for difficult problems. Throughout this study, it became evident that the PSOs that were beginning to or were already drawing upon expertise from as many sources as possible to improve the nature of their organization.

Drucker (1990) also claimed that to develop innovative ideas or strategies, managers should learn from other successful organizations. This can be accomplished by asking colleagues from other organizations, and

reading reports that examine what makes organizations successful, such as Peters and Waterman's (1982) study on profit organizations and Knauft, Berger, and Gray's (1991) study on nonprofit organizations. Drucker (1990, p.66) also claimed that a practically infallible strategy is to "refocus and change the organization when you are successful". This is an important point when considering Miller's (1990) study where he examined the failure of successful profit organizations that over-emphasized the strategies that made them successful. Therefore, to improve the organization, decision makers can learn to develop strategies from many internal and/or external (e.g., for-profit organizations) sources.

Drucker (1990) is also a proponent of searching for ideas beyond the walls of the organization. The PSO leaders who were interviewed indicated that they used national meetings to exchange ideas and learn from their counterparts. For example, leaders in Cases A and D made the claim that they are viewed as "progressive, creative, innovative and as leaders within the sport." A Case D board member mentioned that helping other organizations and themselves is important, in that,

> If we are more wealthy because we are doing things better than the others, then we should share and help them grow as well. It will also make them more independent. Sharing out knowledge with them is being responsible and it will come back to us. If more people believe in us, then they will support us. If people support you, then you become leaders. If we could be a leader to all the associations, that is what we should be trying to do. Only if we are doing things right, and if we do things right, well, then we will get more coverage. Our image will be

> even better. People will talk about us in a good way. That is what we want.

This seems to suggest that there is a certain amount of conformity among the organizations as they search internally and/or externally for innovative ways to improve their organization.

The reasons varied why the PSO decision makers were adamant about incorporating internal and external expertise within their strategic process. These reasons included: to increase their growth (Case A and D), meeting Council funding requirements (all Cases) or national direction (Case C), and their perception of what other PSOs do may be better (all Cases trying to incorporate corporate board members). Meyer and Rowan (1977) argued that an organization will conform to other organizations within the same sector to increase their chances to succeed and to survive. DiMaggio and Powell's (1983) article on institutional isomorphism developed three reasons for organizational conformity: coercive (e.g., the Council), mimetic (e.g., Case C working with their NSO, Cases A and D using ideas from other successful profit organizations) and normative (e.g., all four PSOs searched for ways to legitimize their organization). In Stone's (1989) discussion about planning, she also suggested that any combination of DiMaggio and Powell's (1983) three isomorphic pressures can influence nonprofit leaders' behavior for reasons of legitimacy and not for managerial effectiveness.

Regardless of the reason for conformity, trading ideas and programs among PSOs has caused some conformity. Even though there is some evidence of conformity at the PSO level, the leaders do not seem aware that they are embracing such a concept. Mintzberg (1994) would support such a statement. He stated that creative strategies can emerge (without the

intention or awareness of the managers) or be deliberately found within the organization or in competing organizations. Nevertheless, as members of the corporate world are recruited onto PSO boards, the assumptions that they bring with them may not help the organization in the long run. In order for their expertise to help the PSO, a volunteer training program is needed so that they can understand the nature of the organization.

Many of the PSO leaders suggested that after volunteers are recruited and trained, their efforts have to be recognized by the organization and its membership. Whether it is a board member who develops a new strategy for entry-level athletes, or a parent who helps with officiating, an aspect of volunteering that seems to receive the least amount of attention is a volunteer recognition program. The following comments from a Case B staff member illustrate that a volunteer recognition program is a useful strategy to maintain their volunteer base.

> I still think we have a lot of work to do in volunteer recognition and parental involvement. But we forget that the parent is also a client as is the athlete. Since we are deemed limited funds and we have so many thirgs going on, our emphasis [has been towards] the athlete and ignoring the parent. I think we definitely could improve our volunteer recognition. I don't mean by having a banquet or anything like that. But I have a pretty definite view on volunteer management that you involve them. You tell them what it is you want them to do, why is it they are going to do it. You expect them to do it extremely well (if they don't, you fire them). And the reward is in doing the job well rather than just showng up, standing around,

not being directed, not feeling like you are being involved and going "Jesus, why am I here?".

Volunteer training and recognition also applies to any nonprofit organization involving volunteers, such as NSOs, so they "involve good people, and to run the sport [or any cause] in such a way that good people want to stay involved" (Macintosh and Whitson, 1990, p.35). Volunteerism, as a strategic issue, can be summarized by Drucker's (1990) argument for treating volunteers as members of the organizations. This means that PSOs' recruiting strategies have to address their needs, education, direction, and motivation before, during and after the recruiting process. To facilitate the recruitment process, the popularity and promotion of the sport will help attract volunteers into the PSOs.

When a person reads a newspaper or watches television in Canada, he will find an abundance of media coverage for the professional sports (e.g., hockey, football, baseball). The media industry reports on what people enjoy, and/or what the media terms 'news worthy'. Sports that are not established within Canada's culture (e.g., table tennis) receive minimal coverage at best. As described in Chapter Four, the leaders of the four PSOs have attempted to use different strategies to inform the media of activities and competitions that have or will be occurring across the province. The leaders provide media representatives with background information, results, and stories of human accomplishment, only to gain minimal results.

The international coverage for Case A has been strong, however, by their own admission, the coverage of their provincial programs and athletes has been weak. Case C would be ranked second in terms of international coverage, especially with Canadian players achieving stronger results. This

leaves Cases B and D a distant third. All the leaders interviewed felt that their media coverage has been lacking because of the amateur nature of the sport. They also felt that when they provided media representatives with information about their sporting events, the information is not reported and, if it is, only the results distributed because of the low demand or popularity for amateur sport information.

One of the strategies PSO leaders have used to correct this problem with limited success has been to involve their members in creating a demand for information about their sport. For example, leaders in Cases A and D encourage their members, including parents and the local clubs, to write letters to the media to include more information about their sport. The goal for this type of strategy is to demonstrate a need for the media to cover provincial sporting events. The leaders believe that the media industry caters to the demand of the public, therefore it is the responsibility of the public to create and demonstrate the demand. Another way of obtaining more media coverage is via education.

One of the reasons for the popularity of a sport is a person's familiarity with the activity. When people are exposed to and realize the skill, tactics, and the unique features of the sport, they can gain an appreciation for it. Cases A and D have invited media personalities to a 'media day' where members of the media participate in the sport along with some of the province's elite athletes. With the right timing, this type of promotion allows an opportunity to educate the media about the sport and its athletes. For example, there could be a media soccer match before a major competition. In terms of timing, although the media could be outdoors and playing soccer with the sport's elite athletes, its success will be limited if the Stanley Cup Finals were aired that

day. Though a 'media day competition' may not be an event needed every year, it provides an avenue to educate and contact the media for the future.

The above example leads to the next issue about dealing with the media. Many of the leaders suggested that the media industry is attracted to two types of events: traditional and spectacular events. An organization can take advantage of the history and tradition of the event or the sport. For example, for the past 100 years football fans know that the Grey Cup has been played in the fall. People enjoy being associated with tradition and therefore an event like the Grey Cup can attract the media. Media representatives also like to cover the spectacular events. For example, before the 1993 World Cup, there was an exhibition soccer game between Canada and Brazil in Edmonton. The excitement and media coverage for that one day event was phenomenal. An opportunity of an event of that magnitude is not available for every sport, however, PSO leaders can apply the essence of the idea to their sport.

Building a relationship with the media can amount to a lot of work with only minimal gains. However, PSOs have to educate media representatives about the sport and encourage the media to cover their sporting events. This type of involvement will mean that the PSOs' decision makers will have to remind their members to contact the media when they have an event. All sports are unique and have great examples of human accomplishments that can be used to promote themselves, however a sport can not promote itself if PSO leaders do not make the information available to media representatives who distribute it to the public.

(3) STRATEGIC TYPES:

Thus far the discussion has focused upon how the contextual factors (funding, membership, and volunteers and promotion) influence the PSO leaders' strategic initiatives. Although many of these were detailed, the discussion did not fully compare the initiatives to Thibault et al.'s (1993) strategic framework because it is limited in its ability to examine the content of the strategic initiatives. However, the purpose of this section is to provide some conclusions for the study. The two tables in Appendix Seven compare the characteristics of each PSO as they relate to the strategic types. The information in both of the tables raise a number of interesting points regarding strategy.

(a) Strategic Types of the Four PSOs:

As the tables in Appendix Seven indicate, there is some evidence within this study to suggest that PSOs that have similar characteristics to Thibault et al.'s (1993) strategic types. For example, Case A resembles a refiner strategic type, Case B is similar to an explorer strategic type, Case C contains characteristics of an innovator strategic type, and Case D is compatible with an enhancer strategic type. The data from the interviews also suggest that the PSO leaders employ different types of strategies to address different organizational issues. For example, Case D used creative sponsorship strategies, and used a fine tuning strategy for their fund raising program. Therefore, not only can a PSO resemble a strategic type, but PSO leaders also employ different types of strategies to address different strategic issues. This point is expanded upon in the next section.

(b) Overlapping Strategic Types:

As with most typology, the description of Thibault et al.'s (1993) strategic types are ideals, and it is difficult to find exact examples. Although each one of the four PSOs has a particular strategic focus (e.g., fine tuning, creativity, ... etc.), all four PSOs exhibited characteristics of other types of strategies. For example, the ability-level and leadership strategies in Case A were primarily older strategies that were refined while creative sponsorship strategies were designed to become financially self-sufficient. However, the ability-level and leadership strategies contained optimizing characteristics and the sponsorship strategy resembled characteristics of the refining and optimizing strategies. The other three PSOs also exhibited overlaps in their strategic focus, thereby demonstrating that organizations within this study do design and implement more than one type of strategy. The overlapping strategic types are visible for all classifications of strategic issues. For example, the leaders in Case D used an optimizing strategy for their club fund raising program and creative sponsorship strategies to meet the same goal - increase their financial resources.

(c) Simplicity:

As argued earlier, the use of management theories within the nonprofit sector, such as amateur sports, has been limited. Authors, such as Greenberg (1982) and Drucker (1990), have stressed that much of the for-profit strategic literature can be applied to this sector. They also argued that leaders of nonprofit organizations should introduce and implement a simple strategic process. For instance, many of the examples provided in this study illustrate how strategies are developed informally. The essence of making the

process simple has an underlying notion of common sense. Wolf (1994) talked about the importance of people within the strategy process that also requires a combination of good information gathering, discussion, and common sense. Similar comments were made by a Case D board member who was recruited to help the other leaders through the development of their strategic plan. He argued that the development of a strategic plan should be a simple one, and should be based on both information and intuition.

His idea that the strategic plan should be very simple (as presented in Chapter Four) suggests a couple of interesting ideas. First, strategic development should be simplified to help the stakeholders comprehend the nature of the process. Especially for organizations going through the process for the first time, a simplistic plan will help leaders understand and increase the chances that they will commit to it. Many of the PSO leaders felt that the more complex the process and the larger the final document (if it is formalized), the less likely it will be understood. Second, the duration of the plan should be relative to the PSO's surroundings (e.g., high staff turnover, funding). This also ties in the earlier discussion of scarce resources. The leaders should ensure that the process of the strategic exercise does not overwhelm the commitment of resources, such as time and funding. In order to maximize resources, it may be possible that leaders can develop ideas within an informal setting (e.g., discussion at lunch). The final point taken from the comments made by a Case D board member is that the process is a learning experience for a majority of those involved. Since the duration of the plan (e.g., three years) is relatively short, there is room to learn how to improve it or make adjustments to it. Therefore, if PSOs employ a simplified process, it will provide: a necessary and manageable direction, a realistic

match with the environment, and allow people to learn and be better prepared for future changes and improvements within the process. To compensate for the wide range of experiences of staff and board members and limited resources within PSOs, this level of understanding can be gained by maintaining a strategic process suited to the context of the PSO (e.g., simply versus complex strategic plan).

This argument of inviting different points of view into the contextual analysis ties into the arguments of Bryson (1988), Drucker (1990), and Mintzberg and Quinn (1991) who claim that there is no 'one correct way' to develop strategy, and an effective strategist is also one who is not confused by the terms "strategic planning" and "strategic thinking". In other words, strategic planning is about breaking a goal into steps, formalizing those steps, and predicting the consequences. This process is referred to as analysis. On the other hand, strategic thinking (i.e., synthesis) is about intuition and creativity as part of an integrated perspective. In the following passage Mintzberg (1994, p. 107) addressed the current state of strategy as it relates to strategic thinking and planning.

> While certainly not dead, strategic planning has long since fallen from its pedestal. But even now, few people fully understand the reason: *strategic planning* is not *strategic thinking*. Indeed, strategic planning often spoils strategic thinking, causing managers to confuse real vision with the manipulation of numbers. And this confusion lies at the heart of the issue: the most successful strategies are visions, not plans [italics in original text].

Mintzberg's comments are important to PSO leaders because they do not want to trap or limit themselves by not envisaging what the future holds for their organization.

(d) Revisiting the Mission:

For organizations to remain competitive or to simply survive, there needs to be a direct relationship between the organizations' mission and their core strengths. Prahalad and Hamel's (1990) discussion of an organization's competitiveness, based on its core competence and core products, can also be applied to PSOs. This competence will act as a developmental tool for new programs and aid in an organization's survival. Before this can happen, the organization's leaders need to compare their mission statement and their current operations to ensure that there is a strong link between the two. For example, Case D recognized that there was a strong network for recreational indoor leagues within the province's major centers. With the organization's strengths within the outdoor sector, management initiated recreational leagues across the province as a way to develop this new sector of the sport. This initiative included building new outdoor facilities, hosting national outdoor events, and eventually developing elite programs and drawing international events to the province. The leaders within Case D have received praise and publicity in articles by leading sport publications that described their efforts as being creative and progressive. Without recognizing and developing one of its core competence (developing the outdoor sector), the PSO may not be at the level of success it is experiencing now.

The notion of core competence also challenges the norms and traditional functions of an organization: "...long-term competitiveness depends

on managers' willingness to challenge continually their managerial frames" (Hamel and Prahalad, 1993, p.76). This idea of challenging traditions can be applied to re-evaluating the mission (are the PSO's operations aligned within its mission?). Although the mission alone will not restrict an organization from moving away from its initial intent (a strategy needs an evaluation process to monitor such movement), reviewing the mission will ensure compatibility with its operations. For example, Cases A and C review their mission and their operations once every three years. Yet, within the three year period Case C uses a piece-meal or a patchwork method to amend its by-laws, guidelines, and operations as situations arise.

Drucker's (1990) idea about defining controversial topics can be incorporated within the mission review. Many times these 'hot' topics or 'critical' issues (e.g., elite versus mass participation) are not addressed when trying to redefine the mission. He argued that it is the board members' responsibility to introduce and discuss these topics within their meetings. However, it has been shown in this study that many of the leaders discuss these issues in informal settings as well. Since the sport and its PSO can change over time, so can the direction of the organization (intentionally or unintentionally). It is because of these very changes that the mission and its benchmarks (e.g., strategies and its evaluations) need to be reviewed and appropriately adjusted. For example, the leaders in Case B can avoid future problems (e.g., discussing issues that have been dealt with in the past - "going around in circles") by reviewing its direction. Researchers such as Bryson (1988) and Laycock (1993, p.171) argued that altering a mission is not an easy task

> ... groups can become bogged down in defining what is a direction, a goal, a strategy, and an objective. These are not clear lines, and, in general, groups develop a feel for the distinctions only after having wrestled with them for a while.

By simply revisiting the mission, organizational leaders can learn from the past to assist their future operations.

Chapter 6: CONCLUSION

Through a combination of the relevant literature and practical examples, the purpose of this study was to examine the strategic initiatives employed by leaders within a sample of PSOs. These initiatives were then compare to the strategic types identified by Thibault et al. (1993). Four case studies were presented to detail the types of strategies used by PSOs, and how they were influenced by three critical contextual factors: funding, membership, and volunteers and promotion. PSO leaders believe that these factors are important to the survival of their organization. Although the leaders are limited by resources (e.g., funding and time), many of them try to incorporate strategies in a number of ways. For example, in an attempt to use 'business-like' principles to address these issues, PSOs have tried to recruit corporate leaders who can help them through a formal strategic process. Other PSO leaders have used informal means to generate strategic initiatives (e.g., discussions during lunch). Although the leaders use formal or informal settings (or a combination of the two) to develop their initiatives, all of them stressed that the strategies have to be simple to maximize their resources. Finally, many of the examples described within this study illustrated that the leaders tried to understand the strategic issues by sharing ideas with other leaders within their sport. This notion of sharing information should also extend to leaders within other sports, nonprofit organizations, and private corporations.

Although Thibault et al.'s (1993) framework is limited in its ability to analyze the contents of the strategic initiatives, there is evidence in this study to suggest that there are PSOs that have similar characteristics to Thibault et al.'s strategic types. There is also evidence to suggest that PSO leaders do

not exclusively follow one type of strategy. For example, Case A resembles a refiner strategic type, as the leaders incorporated fine tuning and creative strategies. Case B is similar to an explorer type, as the leaders' employed trial and error, and fine tuning strategies. Case C contains characteristics of an innovator type, as the leaders introduced new programs that were created by other organizations. Case D is compatible with an enhancer type, as the leaders used fine tuning and creative strategies. Although these similarities do not fully match the ideals established by Thibault et al. (1993), the nature of the PSOs and their overall strategic initiatives resemble their respective strategic type. Finally, as stated earlier, some leaders vary the type of strategy used in accordance with a particular situation. For example, Case D used creative strategies for attaining sponsorship deals, and a fine tuning strategy for their fund raising program. Therefore, not only can a PSO resemble a strategic type, but their leaders can also employ different types of strategies to address different strategic issues.

The goal for this study was to increase the amount of research addressing provincial sport organizations and to broaden the understanding into the strategic nature within the PSO sector. With a better understanding of how strategic issues are addressed, it is the author's hope that PSO leaders can use the information within this study to increase their organizations' levels of flexibility, independence, and development. To develop this study further, longitudinal research would be helpful to observe how changes within an organization's contextual factors influence the types of strategies the leaders develop over a long period of time. Since there is very little research conducted at the PSO level, researchers should further the development of a body of literature for this group of organizations.

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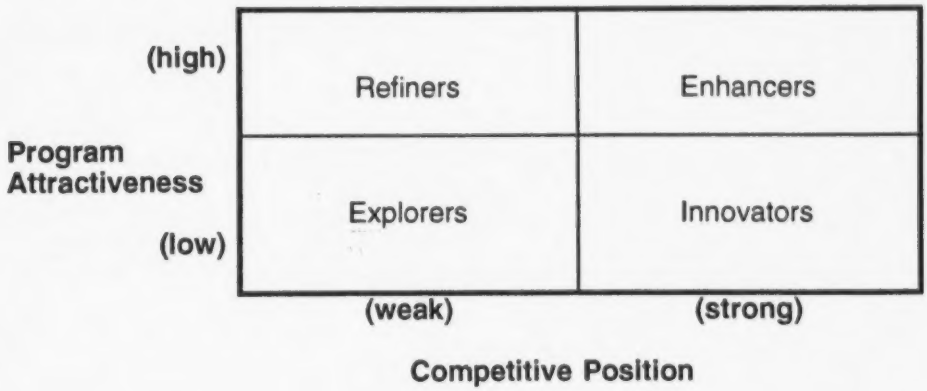
Appendix One

Thibault's et al. (1993) Strategic Types Framework



Appendix Two

Characteristics of NSOs by Strategic Type

Characteristics	Strategies:			
	Enhancers	Innovators	Refiners	Explorers
Program Attractiveness	high	low	high	low
Competitive Position	strong	strong	weak	weak
Strategy Focus	optimizing	creativity	fine tuning	trial & error
Structure	complex	simple	complex	simple
Accessibility	high	medium-low	high	low
Government dependence	low	medium	low	high
Age of NSO	mature	young	mature	young
Stakeholders linkages	establish	weak	establish	weak
Domestic sport programs	extensive	minimal	extensive	minimal
Specialization	high	low	high	low
Formalization	high	low	high	low
Decision Making	(de)centralize	centralize	(de)centralize	centralize

Appendix Three

Information Collected Per Document

(1) Minutes of the AGM, Executive and Board of Director meetings.

- are the decisions matching the mission and objective?
- any patterns in their decisions?
- # of organizational, program changes
- financial stability
- funding sources
- program costs

(2) Constitution and/or By-laws.

- are the rules matching the mission and objective?
- are they in-line with their NSO?

(3) Listing of the programs offered by each PSO.

- do the programs matching the mission and objective?

(4) Newsletters.

- missions and objectives
- what do they communicate to the members?

(5) Alberta Sport Council Grant Application.

- the amount of funding received
- the percentage of external funding
- budgets

Appendix Four

Study Protocol

(1) Prior to the interviews, consents must be received from the Executive Director/President of the PSO and from prospective interview subjects.

(2) Contact each of the 4 PSOs for background information on the organization. The information required includes:

- (a) Staff and Board Structure
- (b) PSO's mission, objectives, programs
- (c) Copies of newsletters

(3) The selection process of each interviewee will based on the information collected during the initial meeting with a staff member. Criteria for selecting interviewees:

- (a) Each person must be a member of the PSO. The person must be with the organization long enough (1-2 years), that the person has a good understanding of the PSO's environment, and current issues.
- (b) Each person must have some history of input into their organization's strategic process.

(4) Once the interviewees are selected, then they have to be contacted. The interviews will be scheduled via personal contact or by telephone. At that time the investigator will introduce himself and describe:

- (a) The purpose of the study,
- (b) How and why the investigator chose you for the interview,
- (c) The nature of the interview.
- (d) Plan a convenient time and/or place for the interview.
- (e) Ask your permission to record the session.
- (f) Assure you of anonymity in the study and the recording.

(5) On the day of and just prior to starting the interview, the investigator will:

- (a) Remind the interviewee the purpose of the study and the general topics that will be covered during the session.
- (b) Confirm their consent to the recording of the session.
- (c) Answer any questions that they may have.
- (d) Obtain their signature on the consent form after they read it.

(6) All interviewees will be assigned a personal code to be used for identification purposes. I will assign it prior to the interview taking place. The code will be based on three pieces of information: PSO's name, if the interviewee is staff of board member, and a number (e.g. V-S-2 would be volleyball, staff, interview #2).

(7) All interviews will be conducted in a separate room, thus ensuring privacy. For the staff members working in the Percy Page Centre, the investigator will book a room for the interviews. For board members, the investigator will try to conduct the interview in their home, or some other venue convenient to the interviewee.

(8) Each interview will be approximately one hour in length.

(9) Regardless of the interview being taped, the interviewer may be taking notes during the interview.

(10) The interviewer will keep a journal of each interview to record his impressions, observations, and ideas.

(11) The interviews that are recorded will be transcribed and will be used to guide future interviews, analysis, an/or write-up. For confidentiality and anonymity reasons, the interviewer will transcribe the tapes. The personal numerical code will be used for identification.

(12) When the case study is written, the names of the interviewees will not appear in the thesis and any resulting publications.

Appendix Five

Consent Form

Title: An Analysis of the Strategic Initiatives Employed by Provincial Sport Organizations.

Investigator: Mr. Kiran Mistry 437-0031 (before July 30th, 1994) or 285-0003 (after August 1st, 1994) and Dr. David Whitson (492-2004) at the Department of Physical Education and Sport Studies,
University of Alberta, Edmonton, Alberta T6G 2H9.

Purpose: The purpose of this study is to examine the types of strategies used by Provincial Sport Organizations (PSOs). Data will be collected through interviews with key personnel in the PSO and a review of documents. The data will be used to construct a case study for each organization.

Risks: The individuals interviewed for this study will not be subjected to any risks as a result of their participation.

Confidential: The investigator promises confidentiality and anonymity to the interviewees taking part in this study. Field notes, data collection records, and tapes will be kept private. Summaries of notes and records will be coded to avoid identification of individual contributors. Although the results for the study may be published, the data from the study will be in aggregate forms so the identities of the interviewee and their organization will not be identifiable.

Time: The interview will last approximately 1 hour, and there is no monetary compensation for involvement in the study.

Inquiries: The investigator will answer any inquires concerning the interview procedures to ensure that the individuals involved fully understand their participation in the study.

Withdrawal: The interviewee must give their consent voluntarily without any coercion. They may refuse to participate in any part of this study and may withdraw at any time without prejudice to their relationship with the University of Alberta.

Consent: The interviewee has consented to participate in the study and their signature below indicates that they have read the information provided above. Each interviewee will receive a copy of this consent form for their records.

Interviewee	**Witness**	**Investigator**
(Printed Name)	**(Printed Name)**	**(Printed Name)**
(Signature)	**(Signature)**	**(Signature)**
(Date)	**(Date)**	**(Date)**

Appendix Six

Initial Interview Questions

Personal Information:

(1) Confirm their name and title.
(2) How long you have been associated with the organization?
(3) Can you give a brief description of current involvement with the association?
(4) Have you held any other positions within the association? [Expand if they say yes (title, role, length of term).]

Background of the Association:

(1) Describe the history of the association [age]?
(2) How does a person become a member of your association? What does that entitle them?
(3) What are the characteristics/demographics of your membership/volunteers (number, gender, age)?
(4) Can you describe the sources and percentages of your PSO's funding?
(5) Describe some of the new projects that the association is undertaking [strategy focus]?

Costs of the Sport:

(1) What are the affiliation costs of an average member? Does it differ according to the type of member? If so, how does it differ?
(2) How do you view the affiliation costs effecting membership [restrictive or encouraging or retain]?
(3) What are the equipment costs of an average member? Does it differ according to the type of member? If so, how does it differ?
(4) How do you view the equipment costs effecting membership [restrictive or encouraging or retain]?
(5) Are there any changes to the membership fees in the near future? Why?

Strategy:

(a) Objectives:

(1) What are the objectives of the association? [or see documents first, then ask particular questions about them]
(2) Who formulates the objectives? What was the process?
(3) When was the last time the organization's mission/objectives were changed? Why did it change?
(4) How are the association's objectives achievable?
(5) Who is responsible for implementation? How widely is responsibility shared?
(6) How do you evaluate the organization's effectiveness of meeting the objectives?

(b) Decision Makers:

(1) Who makes the major decisions about strategy formulation and implementation in your organization?
(2) What is the role of the board and staff members?

(3) What is the process (who thinks of it, decides, implements) of deciding upon a new program? [use this one if they are not very responsive]
(4) Does the organization seek advice from people outside the membership for the development of your association? Who are these people and what do they suggest? [Alberta Sport Council, NSO, consultants]
(5) Do the members have an avenue to voice their concerns/comments? What happens to the feedback you receive (are they considered)?
(6) What role does the government have on programs you choose to operate?

(c) Internal Analysis:

(1) What do you think are the strengths of this organization? ... the weaknesses? (internal analysis)
(2) What portion of your time is allotted for developmental projects and administrative tasks?

(d) External Factors:

(1) What do you think is a threat to the organization? [external analysis]
(2) Are there any indicators/factors you monitor that may influence the organization [any external factors to consider, trends/threats in society]?

(e) Forecasting:

(1) Where do you see the organization in the future (5 years, 10 years)?
(2) What has to happen for the organization to reach this future?
(3) What are some of the major issues/challenges facing this organization in the future?
(4) If you could change anything in the organization today, what would it be? Why?

Thank you for your time and assistance in this study.

Appendix Seven

Characteristics of PSOs by Strategic Type

Characteristics	PSO			
	A	B	C	D
Program Attractiveness	high	low	low	high
Competitive Position	weak	weak	strong	strong
Strategy Focus	fine tuning	trial & error	creativity	optimizing
Structure	complex	simple	simple	complex
Funding Dependence	low	high	medium-low	low
Age of PSO	mature	young	young	mature
Stakeholders linkages	establish	weak	weak	establish
Specialization	high	low	low	high
Formalization	high	low	low	high
Decision Making	(de)centralize	centralize	centralize	(de)centralize
Strategic Type	**Refiners**	**Explorers**	**Innovators**	**Enhancers**

Imperative Ranking For Each PSO

	A	B	C	D
Program Attractiveness	high	low	low	high
Funding	1	4	3	2
Membership	1	4	3	2
Volunteers	1	4	3	2
Support	1	4	2	2
Competitive Position	weak	weak	strong	strong
Affiliation Fee (cost/option)	2	4	2	1
Competition Cost	4	3	2	1
Strategic Types	refiners	explorers	innovators	enhancers